COUNCIL OF THE CITY OF WINNIPEG
Wednesday July 27, 2005

The Council met at 9:36 a.m.

The Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor Clement.

ROLL CALL

Clerk: Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Katz, Councillors Eadie, Lazarenko, Benham, Clement, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: We have a page with us this morning. I would like to introduce Alyssa Copeland of Glenlawn Collegiate who resides in the St. Vital ward. Welcome.

MINUTES

Mr. Speaker: Councillor Smith moves the minutes of the meeting held June 29, 2005 be taken as read and confirmed.

All in favour? Contrary? Carried.

DELEGATIONS

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker, I've received a request from one delegation, a Mr. Al Mackling who would, and I'm requesting if Council would waive the rules for one more five minute slot to hear Mr. Mackling on the ASD issue.

Mr. Speaker: No further comment on it? The motion is that the rules be waived to hear one additional delegation in a five minute slot on the opposition side I gather of contracting out of solid waste collection.

All in favour? Contrary? Carried.

I had a request which will be granted to reverse the time slots for a Greg Mandzuk and Kevin Rebeck on this issue, your first two delegations. So Mr. Mandzuk, I believe by agreement that you would take the 10 minute slot, on opposition to item 1, the report of Alternate Service Delivery of May 17th. Welcome, Greg.

Mr. Greg Mandzuk: Thank you, Mr. Chairperson. Good morning Your Worship, City Councillors. Very intimidating situation. Thank you for the opportunity to present our views on the recommendation facing you today, regarding contracting out, manual and autobin collection services.

First and foremost, I stand here in opposition to this recommendation. CUPE believes that the current mix of public and private collection serves the citizens of Winnipeg in the best way possible and we urge you to keep this mix intact. By voting in favour of this recommendation you are indeed creating a private sector monopoly by selling off your assets. It is the union's opinion that you are putting the City at risk in the future. In my presentation I will try to ask the appropriate questions and key in on some of these points.

In terms of differences and costs we have heard everything from $1.4 million dollars to $3 million dollars in savings if it was contracted out. The only real fact of this matter is your employees have offered up $1 million dollars worth of savings and even savings in 2005 if these internal improvements were enacted. Everything else in the business plan is based on assumption that the private sector will deliver this service for low prices.

The union does not believe that the savings should be extended for a 10-year period of time. Your savings to contract out diminish when you make the comparison to a four year period in which the private sector contract would be. There are no guarantees that the private sector prices will remain low but there are guarantees when your employees offer up such savings and you are managing those employees properly.

During the business planning process the administration stated they could not understand how the contractor can provide the service for such a low cost. I ask you today, is the price right?

In a publication dated June 1, 2005, called *Waste Age* or *Wastage*, this is produced by the private sector I quote, "waste industry prices are looking up thanks to an improving economy and the resulting increases in trash volume that have enabled firms to increase their service rates according to financial analysts. Roughly 50% of waste companies newly signed customers, which you will be, have rates priced higher than other clients according to the first quarter 2005 survey of 150 private waste firms in the States."

Hearing this news, do you still think that contracting out is the right decision? Do you believe that the administration has a competitive bidding strategy that will ensure you receive the best deal possible from the private sector? Do you know that one company now is delivering both contracts in the north side of the City? One might say this can be construed as sort of a mini monopoly.

How can we believe the costs in autobin, when not so recently or not so long ago, the last set of numbers produced by management, $463,000 in savings, disappeared into thin air. The private sector does not even do this work. How did management assume that the private sector could do this work for less than civic forces? That answer is easy. Management just went and knocked on one of these multinational firm's doors and asked if they could deliver the service for less than what we currently do, and these are our prices. Guess what the answer was.

There are a number of Councillors in this room today that took part in the debate when the Provincial Environmental hearings took place on the proposed BFI Rosser landfill. Part of the City's position at that time was that there is enough capacity in our own landfill to fulfill the needs of the area and that BFI was going to be taking money right out of the City's pockets. Today you sit here and tell your employees that you trust that the private sector would never take advantage of the City in the future.

Throughout this debate we have heard that the productivity of civic forces is less than the private sector. These were 2002 stats that were presented to you. Since 2002, and something that has been forgotten by some, civic forces have increased their productivity levels each and every year. In addition, they voted in favour of implementing internal improvements, what's included in internal improvements is a modified work week. What more can they do?

Well Council, Mr. Mayor, I'll tell you what we will not do. This union will never, ever lower our wages and pay what the contractor pays their employees. We will never subsidize our membership, your workforce, with agency labour and pay substandard wages and give those employees substandard benefits to perform this backbreaking work.

You are going to hear a presentation from the Chamber of Commerce shortly and Mr. Angus is no doubt going to be telling you what a great decision this would be to contract out. Wage differentials between public and private employees have an impact on local businesses and social providers, both. If you pay your employees substandard wages the entire community loses including businesses. Decent wages benefit the community at large and this includes business.

Much has been said about how you as a City want to take care of your employees. Tell your former Social Services people this. Since 1999, we have been trying to redeploy all of those people that the Province took over here in the City, and we still haven't completed that. There's still people sitting in temporary positions. To say that you will redeploy 30 permanent positions with any type of ease is blatantly not true.

In addition you have 31 temporary employees that are working full-time, 12 months a year that will be laid off because you do not have the same protection in

place for those employees that you do for permanent employees.

This workforce has thrown tons and tons of garbage on these trucks for you over the years. Their seniority ranges from one year to 15 years but all they and their families have to look forward to is employment insurance benefits and maybe two to three months of work here in the City. The stress you will place on your staff and their families will be huge. If you make the decision to contract out this work, I hope it is City Council delivering those lay-off notices.

The administration is wrong when they say that these employees can use their seniority to move into other departments. They do not have the right to move into other departments until either they're made permanent or every other seasonal is re-hired and engaged in work in the City. There is no plan, HR plan for temporary employees and barely one for permanent employees.

Numerous and significant. This is how management describes the risks involved in allowing your employees the opportunity to implement the internal improvements. As stated earlier, these risks are a lot lower than giving the private sector the opportunity to hold you ransom once you choose to remove yourself from the business. Given what you have heard and dealt with over the years do you believe the proposed competitive bidding strategy is something you can trust although cities in the industry indicate other?

It is also noted that if they get too pricey we'll just get back into the business. If this was true, why aren't you back in the Handi-transit business because since you privatized that service the costs have been skyrocketing and that's not even our bargaining unit? The same would hold true for solid waste.

I witnessed the legal opinion you received at the EPC meeting regarding NAFTA on Chapter 11. My advice, I would strongly suggest that you check further into what you are hearing about Chapter 11. When a municipal government changes a policy which takes work away from multinational companies, it is the union's opinion that you are placing this municipality at risk.

Your employees believe there's untapped opportunities for dealing with solid waste. What about exploring cities like Toronto and what they're doing? Currently the civic workforce in Toronto is $3 per resident cheaper than Waste Management. And the City of Toronto pays their employees $19 an hour, more than you pay yours. They work four ten-hour work weeks. But this idea was not acceptable to management.

There are no controls when you manage through contract management. Contracts are only as good as the paper they're written on and if you want something different, you pay extra. When you have a civic workforce, you do not pay for the extras. As a City, you have much more to gain when employing your own employees. Could you call WMI or BFI and ask them to fill sandbags like your employees just did a couple of weekends ago?

CUPE has a long history with the City of Winnipeg. In that history, we have consistently shown that we are willing to sit down and resolve issues when they come up and come up with efficiencies. The sale of Winnipeg Hydro to Manitoba Hydro, we helped you with that. We helped guide our membership in that and saved you millions of dollars. Implementation of the seven day work, the 11-hour work week in water services, saving you lots of money in water services. Seven day coverage, no overtime. Ten hour construction shifts in street maintenance, you are getting more sidewalk laid now because they're working longer hours.

We led the charge for you for legislative changes in the pension, jointly trusteed pension plan, saving you millions of dollars, voluntary rollbacks, which we are somewhat not proud of, but it saved you in a crunch time. Parks and Open Spaces grass cutting efficiencies…

Mr. Speaker: Would you wrap it up please?

Mr. Greg Mandzuk: And most recently CUPE Council. Your employees have asked for a, you've asked for a commitment from your employees, they gave it to you and we gave it to you publicly three times. Now it is time to hear your commitment for your employees. It's time for you to tell your employees how you care about their continued employment and the opportunity to work in-house with these improvements.

In closing, I stand here today in opposition of the recommendation to contract out manual and automated collection services. CUPE urges the City Council to vote against the recommendation and vote in favour of your employees. Thank you.

Mr. Speaker: Thank you Mr. Mandzuk. Any questions? Thank you very much.

(Applause)

Rules of City Council do not allow any demonstrations from the galleries during meetings. I waited till you were finished to say it though.

Any questions? Councillor Magnifico. By the way there are a total of 10 minutes of questions allowed for each side that would include three speakers in this case, a total of 10 minutes. Councillor Magnifico.

Councillor Magnifico: Thank you, Mr. Speaker. It's bothered me over this process when I hear of the lower wages that the private sector would be getting paid. So I did a little research on it just because I hear Mr. Mandzuk saying this all the time. And as of yesterday, these are actual numbers that the private sector pays.

Mr. Speaker: You don't get that long a preamble.

Councillor Magnifico: Well I would like to know if Mr. Mandzuk if he knows what the private sector pays their people right now and I have the numbers right here so.

Mr. Greg Mandzuk: As of the end of 2004, a labourer that managed to work one year behind a truck would be paid $8.71 an hour and that's straight out of the Canadian Auto Workers Collective Agreement from the end of 2004.

Mr. Speaker: Supplemental Councillor Magnifico?

Councillor Magnifico: Well I don't know if it is supplemental but I have the facts right here.

Mr. Speaker: No you cannot. Wait for your… You get the chance to speak later, no preamble on supplementary questions.

Councillor Magnifico: Well Mr Mandzuk…

Mr. Speaker: There is no debate with the public.

Councillor Magnifico: Is it not true at this time our workers collect two loads per day, in many instances go home after four or five hours of work?

Mr. Speaker: Mr. Mandzuk.

Mr. Greg Mandzuk: Yes, it's true. And those are the productivity benchmarks that management has provided to our membership.

Mr. Speaker: Thank you, thank you very much. Councillor Lubosch.

Councillor Lubosch: Thank you Mr. Speaker, thank you Mr. Mandzuk for your informative presentation. You referenced that the employees were prepared to implement internal improvements and went as far as voting to adopt internal improvements referenced in the business plan. Can you tell Council how long ago that vote was and why it is that Council never heard word of it until a few weeks ago?

Mr. Greg Mandzuk: That, through the chair, Councillor Lubosch, the vote was taken in February 2005, at the request of the Mayor. And subsequent to that there was a meeting held with Corporate, Corporate Services and the Mayor's Office. And that information was

communicated to those people at that time.

Mr. Speaker: Supplemental Councillor Lubosch.

Councillor Lubosch: Thank you Mr. Speaker, through you to Mr. Mandzuk. February 2005, it's now almost August. Any idea how much money could have been saved had those internal improvements been adopted?

Mr. Greg Mandzuk: I would, I could venture a guess, it wouldn't be the full million dollars obviously. There would be a number of months that would be required to prepare to move into the internal improvements. So I imagine we wouldn't be able to probably move in that direction till May so somewhere around there, the maybe $500,000 mark. I'm just guessing though Councillor.

Councillor Lubosch: Thank you.

Mr. Speaker: Further questions? Councillor Wyatt.

Councillor Wyatt: Thank you very much for your presentation this morning Mr. Mandzuk. Is it true that the union has identified areas of savings and has indicated that to the City for sometime now and that this has not been brought forward for our consideration?

Mr. Greg Mandzuk: The options are all listed in the ASD report I believe, Councillor, the Options 1 through 4. The option that you are dealing with right now is Option 4 to contract out all of manual and automated. The internal improvements are listed in those options. That was one of the options that was put forward and not one of the options that was brought forward by the administration.

Mr. Speaker: No further questions? Thank you very much.

Mr. Greg Mandzuk: Thank you.

Mr. Speaker: Just noticing 5:45 remaining on the question clock should it be necessary.

Kevin Rebeck, President of CUPE, Manitoba.

Mr. Kevin Rebeck: Thanks very much. Thank you. Thanks for the opportunity to make a presentation today. I'm here to talk about the proposal to contract out the remaining solid waste collection services in the City. And I'm here representing 24,000 members across the Province. We have members in school boards, municipal governments, public health facilities, a number of social services, non-profit agencies and some companies that provide public services across the Province. About 15,000 of those workers live here in Winnipeg.

And right from the start of the presentation, I need to make it very clear that we totally oppose contracting out of solid waste collection and the contracting out of any City services that cut jobs and weaken the City's ability to provide quality public services. If that sounds extreme, it's because we're committed to our community. And we have come to see that contracting out is part of a larger process of privatization that could destroy our community.

We believe that the contracting out of services opens up government to a number of pressures that inevitably lead to weakening the public controls and capacity to maintain services. The privatization of services where private individuals or companies start to do the work that public officials and workers have done lead to less direction, oversight and ultimately less customer attention. In time, we have seen apparently harmless contracting out lead to reductions in funds available for maintaining services and to further contracting out to the point where government loses the authority and capacity to maintain these services. At this point, the cost of returning services to the public fold becomes prohibitive.

In Winnipeg, we have a history of a commitment to public services. It's been widely acknowledged that our public services contribute to our community's character and quality of life. And that's the central argument we want to make

here today. How the City provides public services affects the entire quality of life in our community and privatizing services undermines that quality of life.

Since the 1920's, City officials and managers have recognized the importance of providing services so that all citizens have access to the same resources. For almost 100 years, the City has seen the social and economic benefit of providing universal public services, whether water and sewer or telephone services, there has been a commitment to centralized delivery in the public interests for the public benefit and through public institutions. By contracting out all solid waste collection in the City, there is a serious risk that you will undermine the social and economic means that make this City such a great place to live.

Your choice of private over public means you're lowering the standard for wages, benefits, and respect for working people. If you accept that private contractors can provide garbage collection, better garbage collection, you'll be telling everyone that low-paid strenuous labour is acceptable and every employer should keep wages low and deny workers any benefits.

Ironically, this message contradicts what many of you and particularly you, Mr. Mayor, have said about helping business. You may advocate cutting taxes to help businesses but you will erode the customer base that's the lifeblood of small businesses. By encouraging the privatization of more public services you are also telling the community that City Council's intent on reducing its commitment and accountability to the public. By promoting privatization you are saying thatyou are willing to put more of our services in private hands where we can't scrutinize them, hold them directly responsible for their failures or demand accountability.

To summarize and simplify what we're saying I want to profile the effects of privatization through the experience of two workers. John is paid minimum wage which he gets through a temporary placement service that contracts him to Canadian Waste Management Inc. He puts in an eight-hour day collecting garbage and tries to work at least five days a week, but this isn't consistent. He has no benefits and if he gets sick for example, he doesn't work and he isn't paid. When he's ill he goes to the local emergency room at Seven Oaks Hospital.

In a year he might earn $15,000. With this he can rent a small bachelor apartment in an older building on north Main. He has got about $300 a month to spend on food, clothing and all his other needs and he doesn't have any savings so when unexpected bills arise he often has to borrow money from friends or go to a pay advance company, which charge you an outrageous fee.

He would like to improve his education but he is pretty tired at the end of the day and just doesn't have energy or motivation to attend adult education classes. He has tried to do other jobs but none seem to last long or give him much of a chance to learn on the job. He also goes to Winnipeg Harvest regularly for food.

And then there is Pete, who works for the City as a refuse helper. He earns $18.10 an hour or about $32,000 a year and gets a number of benefits through his CUPE contract. He has worked in the Water and Waste department for eight years and likes his work though it is demanding in bad weather and when management is in a bad mood.

When he has been ill he has been able to get time off and quickly recover so he could return to his job. He has taken a number of union courses and has upgraded his skills by completing his high school equivalency through the City and CUPE education...

Mr. Speaker: Time is up Mr. Rebeck. You have one summarizing statement.

Mr. Kevin Rebeck: I challenge you to be leaders in our community to show the public you have the ability to make improvements and manage things better, to reinvest financial resources to build our community and not give them away to the States. Implement changes to make

things more efficient and ensure we have a strong public sector that is about more than the bottom line. Be a government that invests in its community, its citizens and cares about the environment. We know multinational companies don't. Remember the real casualty of privatization could be our City. Thank you.

Mr. Speaker: Any questions? Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. One of the issues you referred to in your brief that I hope Councillors have had a chance to read since five minutes is hardly enough time to make your case, it's a very excellent brief that I read yesterday. You talked about transparency or the lack thereof once something is contracted to the private sector, could you elaborate on what that really means in an understandable way for people? Thank you.

Mr. Kevin Rebeck: When we contract out services to a private agency we aren't able to get access to where they're spending the money that we've paid them to provide the service, how things are being put. They have the right to keep that private. So there is a real lack of an ability for a Council to hold companies accountable for what service they're providing and how they're providing it and how they're spending the resources that taxpayers are asking you to manage appropriately. So it really shifts any accountability you have to the citizens of our community on how the resources are spent and it allows a company to do what it will with those resources and determine how they will provide wages or, or maximize their profits off City dollars.

Mr. Speaker: Supplemental Councillor Gerbasi.

Councillor Gerbasi: Do you have any information on where 100% privatization has gone wrong in other cities and what's happened in other places when they've moved from a public-private sort of sharing of the service when it is fully privatized? What has happened in some other places?

Mr. Kevin Rebeck: We do. There are a number of examples cited in the brief and in some cases we've seen once things have gone privatized and we've watched the deterioration of service. We've watched how under NAFTA and different rules, private companies have won the right to continue to pollute in a community and cause environmental problems and concerns that cities or municipalities have tried to bring services back in. They've faced numerous legal fees that they've had to pay, and they've had to pay outrageous sums to companies for potential profits that they could have made for them to be able to bring things back in service. So it's costed not only more money to bring the service back in-house to have that accountability and control and to look at issues beyond, beyond the bottom line but to look at the health of the community, or environmental concerns. It's cost more than that to build up your infrastructure, to buy back the assets, and to pay a number of legal costs particularly under the NAFTA rules.

Mr. Speaker: That's it. Thank you very much.

Mr. Kevin Rebeck: Thank you.

Mr. Speaker: And we've suspended the rules on the same side of the issue for another five minute slot. Mr. Al Mackling. Welcome.

Mr. Al Mackling: Thanks Mr. Speaker, members of Council. I appreciate the opportunity of taking a few moments of your time to talk about this issue. As many of you may know I've had a background in political activity in the Province. I served in two governments of the Province of Manitoba and, but it's, and gained some experience in that occasion.

But it's my experience as an Alderman in St. James that I would like to share with you. I did share this information with members of the Executive Policy Committee. I don't think I was too persuasive according to the vote. But I would like still to recall this past history because we should learn from history. If we make the same mistakes, we haven't remembered our history.

In St. James for many years we enjoyed the services of a private waste contractor. He did an excellent job. There were no problems. However on the scene came a large company that wanted to get into the waste management business on a big scale, and they offered some very attractive prices. Most people would identify them as low-balling. In any event we were faced with this challenge. So since the contract for the private collection company was up, we opened it up for tender. As anticipated, we got this very low tender from the new challenger, much lower than our private contractor of the past. We felt obliged, we suspected this was a very low tender, they were low-balling but how could we know?

We spent the time to do some investigation. We asked our City Engineer, Jim Scath, to come up with answers for us. He did. And he came back saying, as it turns out this City, and we are a relatively small City, I forget, about 40,000 at that time, would be better off if we had our own waste management collection system. And he took into consideration the acquisition of trucks, you know the gloves, the boots, the uniforms, everything. And we were going to save a considerable amount of money. So we did it. What it proved to us at that time is that unless you have some way of knowing what's going on in the industry, you don't know whether you're paying too much. In other words, you have to know what the costs are.

I'll give you one other example. In my understanding of the, and my educational process in St. James as a Councillor, as an Alderman, one evening after I had been on Council for some years, I was on Finance Committee and an item came up to sell a gravel pit. My gosh, I didn't know we had a gravel pit. So I said to Reg Whiteman, who was my old political foe, he and I had squared off in a Provincial election, he won, I lost, but we became good friends. I asked Reg, I said why are we selling this, I didn't know we had it? He said Al I got to give you a little history. He'd been on the Council as Reeve and as an Alderman for some years. So he knew all the background.

He said at one time the City of St. James used a lot of gravel because all we had were gravel streets and so we used a lot of gravel. The companies that owned the gravel pits were charging us a lot of money. We found out that they were charging us a lot of money. So we went out and we bought a gravel pit, this gravel pit. Overnight the cost of gravel to the City that was then the Municipality of St. James was almost cut in half.

Now he said, Al he said, we don't use this gravel. We don't do our own major road reconstruction because we had our own Public Works staff to put in sidewalks and other things. So we always had an input. But for major road reconstruction we put it out for tender. But he said so now we don't really need the gravel pit. But he said you know all the time we owned that pit we didn't have to take out one teaspoonful of gravel. Those were Reg Whiteman's words. He was a Liberal.

Mr. Speaker: If you could wrap it up now please.

Mr. Al Mackling: Pardon me.

Mr. Speaker: If you could wrap it up now.

Mr. Al Mackling: I will. He was a Liberal; he was a member of coalition government. I learned that in municipal government you take your ideological blinkers off. You take your union or anti-union blinkers off and you do what's in the best interest of the people. You have an opportunity. You have a system now where you've got checks and balances, where you can see what the real costs of operations are. Don't give that up.

Mr. Speaker: Thank you Al. Okay. Our next delegation this morning is Dave Angus on behalf of the Chamber of Commerce in support of this same item. Welcome Dave.

Mr. Dave Angus: Thank you very much Mr. Speaker, ladies and gentlemen. I'm here on behalf of the Winnipeg Chamber of Commerce, the largest business association in Winnipeg with over 1,650

active companies, and we have a lot of history with this issue.

Back in 1999 we delivered a report to this Council which reviewed all 300 services, and weighed in on areas that we felt were opportunities for, to find efficiencies within civic government. We also recognized in that report which services we felt the public service could better provide that particular service. Garbage delivery was not one of them and it is one certainly that the private sector can much more effectively deliver.

I want to commend the City first of all for the work that it's done over the last number of years in finding efficiencies. You've done a great job at looking at where we can save taxpayer money. It's a very important part of what I perceive to be your core responsibility. But there is no beginning and an end to finding efficiencies and there has been one service that has been hanging over our heads since 1999 that has not been addressed and that's garbage collection.

The Winnipeg Chamber supports the City's recent report and its recommendations and we support it in full. Just like we supported the previous report a couple of years ago. Just like we supported the report that came out originally in 1999 which said very much the same thing. Finally, you know, we have this third report that looked at four separate options, costing out, identifying potential issues and risks, coming to the conclusion that full contracting out is what is in the best interests of the people of Winnipeg.

So here we are six years later, over $15 million dollars of taxpayers money wasted, in my view, because we didn't take action when the first report came. Enough's enough. It is time to move on this particular issue and there has been plenty of time to analyze how we can save money in the public sector. When I appeared before EPC back in 1999, it was one of the first things I did as President of the Chamber, that was the comment, I want to take a look at the public sector to see if we can find more efficiencies, this was six years ago and we're still saying we need some more time.

There's no escaping and it does not escape the Chamber of Commerce that this service like most services can more efficiently effectively be delivered by the private sector in an environment of competition. There should be no mystery that we can save money by contracting out this particular service 100%. And the City's own report, which we support in its entirety, supports that view as well.

I want to address four elements that seem to be the stumbling blocks. And the first is, is the cost savings themselves. And we are debating whether it is $2.4 or $2.6 or $2.2 or $3 million, what difference does it make? It is savings to the taxpayer. When homeowners are there looking at and making choices between services and there is no difference between the level of service, they will choose to spend their own money on the cheapest source so they can redeploy other investment in other areas for their family. This is no different, this is not our money, it's the taxpayers of Winnipeg's money and we have a responsibility to make sure that it is spent appropriately, and in its best way.

Because this decision is not just about the savings. It's what you can do with those savings, should be at the core of your decision. Whether it's giving it back to the taxpayer, which would be refreshing, because they could use it, or whether it's investing in other priorities that I have heard almost every single Councillor articulate in terms of if only we had more resources to put to this, whether it is housing or whether it's policing or whether it's infrastructure, if only we had more resources. Well today we see an opportunity for increased resources and it's time for us to take it. So the cost savings is one important point. It's there in front of us and it is a responsibility for us to move on this particular issue.

We've heard CUPE, and I respect CUPE tremendously and they have a job to do. They have a job to do to try to convince you to keep their workers. You have a different job. Your job is on behalf of the taxpayers of Winnipeg. And I can assure

you and the City's report talks to this, that there is plenty of competition within this industry. And not only that, with a strategy much like they implemented in British Columbia for highway maintenance, where they've took the Province and they divided up into eight zones to make it manageable for smaller companies to participate. And they put a limit on the number of zones one company can actually acquire through the contracting and tendering process. They have process that invited competition and I think there are smaller players and smaller related industries that would take advantage of an opportunity to provide service to the people of Winnipeg. And I think that's the opportunity you gain that lays in front of us.

In the report itself, it states the Solid Waste Services division has a contracting strategy that fosters a fair and competitive bidding process. The number of bids received has always been sufficient to indicate that the marketplace is competitive and there is no known reason to expect this to change in the future. End of point - competition is not an issue. And as a City, we can actually tender it in a way that will invite smaller businesses and smaller entrepreneurs to participate.

In fact, there is opportunity and there exists opportunity potentially for a group of civic employees to start an enterprise to invest in the equipment, to become an entrepreneur in our City and join the ranks and bid on the contracts for the City. Wouldn't that be refreshing? To see that happen as well. There is all kinds of opportunities for us to invite competition in this particular marketplace.

The third element is the track-record. This is not new. The private sector has been delivering 50% of the City for a number of years. They have a stellar track record. They're extremely productive and extremely efficient. So we're not taking a risk on private sector delivery. In fact I, it upsets me when I hear comments that slam the private sector. The private sector isn't Mr. Potter in "It's a Wonderful Life." The private sector is men and women of this community that are volunteering at their community clubs that are involved in their schools. It's small business, it's mom and pop shops, that's the private sector and they deserve our respect. And they can do a great job on this particular service and they deserve an opportunity to do so.

And I will not stand here and have the private sector slammed or degraded like they're sub-standard. They are not. 95% of the goods and services that you purchase are from the private sector. And they are delivered with value and with high quality because if they aren't they go out of business. And that's the magic of competition. The private sector has a stellar track record in this, let's embrace them, let's use them, most importantly, let's respect them through this particular process.

Fourthly, it's human resources, which is always an issue. The City's report has made it very clear the impact of current staffing and we're talking 30 permanent positions. In the City of Winnipeg's Annual Report, Annitta Stenning states that 50% of the City's workforce will be up for retirement by 2010 which creates huge challenges for a workforce but also creates opportunities. And through vacancy management, which has really been the tool through which we have been able to find and accommodate efficiencies through the City and cost savings in order to move this government into a more affordable status, is the opportunity for these 30 individuals to be redeployed in the civic staff. The opportunities will be there, this is not new. We have done it before and will do it again. And even on the non-permanent as the report also states that the City process will also be respected in terms of lay-off and recall to be redistributed throughout other City services.

In conclusion, I believe the right decision for the citizens of Winnipeg, and we believe as a Chamber, is to contract out the service 100%. We believed that in '99 and we believe it today. So we support fully the recommendations of the report. And all the issues have been addressed in that report too. In terms of the cost savings, in terms of the competition, in terms of the private sector track record

and in terms of the human resource process, all of these things were considered in that report and the recommendation is very, very clear. The people of Winnipeg make these decisions everyday, to save money. And this isn't your money, this is their money, and they believe that you have a responsibility to make sure that you are serving their interest in finding and choosing the most efficient use of their particular dollars.

And we face some serious issues, whether it is crime and you saw the statistics like I did. Whether it's infrastructure and you feel the infrastructure deficit like I do. Whether it's housing, there is huge issues here. These are the things that we need to address. And all of them are probably going to be, have demands on resources, well here we have an opportunity to bring back some of those particular resources. Let's take that opportunity. I don't know how we can possibly justify choosing to waste these available resources when there is more needs to be addressed including the needs of taxpayers to actually get some of their money back as well.

This is about respect. Respect for the private sector to do the job, which they are doing, and it's respect for the hardworking people of Winnipeg. I don't believe we have a choice in this particular matter. The choice is very clear and it's been clear since 1999. The time for waiting is over; the time for analysis is over. It's time for action. Let's move on with the recommendations before us.

Mr. Speaker: Thank you. Questions? Councillor Smith.

Councillor Smith: Mr. Angus is there any civic service that you wouldn't contract out? And if there is, can you please explain what it would be and why?

Mr. Dave Angus: Well we did a survey of our membership; back in the, it goes back to the '90s in terms of civic services and what your priorities are and the top two priorities for our members, and I would say Winnipeggers period, are Police and Fire. And if you want to read our report, and obviously we wouldn't contract out those services, we wouldn't contract out Transit. We wouldn't contract out a number of elements within the civic fold. There is a core mandate to civic governments and we have identified that in our report in terms of what we feel is the core mandate and there is a number of services and I would be more than happy to give you the report.

Mr. Speaker: Supplemental Councillor Smith.

Councillor Smith: Yeah, the union made many recommendations for saving…

Mr. Speaker: No preamble on follow-up questions please.

Councillor Smith: Would you not be critical of management for not carrying out those savings?

Mr. Dave Angus: Councillor Smith, I sat at EPC when the 1999 report came down and I saw a report that had all kinds of data that made recommendations for contracting out and the savings were $2.2 million at that time. And at the time what was suggested is let's let the public service try to find savings on their particular forte. This is six years ago. We have given this and management has given this enough time. The reality is you will not get the same level of costs between the public and private service and it's not to discredit the public service, they do a great job. But it's just, it's not the case and at the Chamber of Commerce I can tell you that it's not the case.

Mr. Speaker: No further questions? Councillor Benham, I'm sorry.

Councillor Benham: Thank you Mr. Speaker. Thank you Mr. Angus for your presentation. As you are familiar with, Henry Ford once said that he paid his workers a decent wage so they could afford to buy the cars they were producing and it was actually an economic formula that worked very well. You've heard CUPE's presentation that by low-balling our wages, by making sure that the workers on the bottom-end of the

scale are poor and are forced to payday loan places, that they would be very bad customers for your members. They won't have the money to buy the consumer goods that your members sell. Are you concerned about Winnipeggers as consumers as well on behalf of your members?

Mr. Dave Angus: Well Councillor Benham that's an interesting comment and it kind of alludes back to my original point in terms of discrediting the private sector. If you really looked into it, there are tremendous wage opportunities within the private sector and you can compare any job to any job and see a differential.

But don't discredit wage levels being offered by private sector companies for the vast majority of Winnipeggers. Here is the reality. The reality is the number one issue facing business, and in our *Manitoba Business Leaders Index*, when we surveyed Manitoba business, 64% of businesses in the last 12 months had trouble filling a position because they couldn't find a qualified person. That environment is what drives up wages. The market drives up particular wages.

What also drives up wages is training and qualifications and all of these elements drive up wages as well. And if you want a high wage economy what's going to be necessary is to attract high-wage industry through an economic strategy but let's not discredit private sector wages. It drives me crazy when people make those kinds of comparisons because it's moot. It's not relevant to this particular discussion. So let's get off the private sector. There is plenty of great jobs within the private sector and we can compare job to job and go back and forth in terms of higher private sector here, lower public service here, etcetera etcetera. The reality is the private sector pays extremely well within industry and also provides, just so you know, the most jobs at Winnipeg as well.

Mr. Speaker: Supplemental Councillor Benham.

Councillor Benham: Thank you Mr. Speaker. Would it be your position then and the position of the Winnipeg Chamber of Commerce that this City Council should always endorse the lowest possible wage scales for public servants?

Mr. Dave Angus: It is my position that this City Council should respect that your collective agreement. And it is my position that the City Council should only be in those businesses that they should be in. And the private sector is sick and tired of competing against its own government. And there is a principle that I believe that needs to be embraced here and that is if the private sector can do it then they should be able to do it. And they can do this service, they are doing this service, and frankly the policy should be regardless of cost savings, that we should be utilizing our own private sector. Because frankly a City or a government that thumbs its nose at the private sector will have trouble attracting it.

Mr. Speaker: Thank you. Councillor Magnifico.

Councillor Magnifico: Mr. Angus are you aware that the typical private sector wage rates for residential collection are $120 to $150 per shift per employee with benefit packages that include items like dental, sick leave, pension, shift premiums, work clothes, paid education leave, life insurance, are you aware of that?

Mr. Dave Angus: Now I am. And I'm not surprised.

Mr. Speaker: I knew there was a way that you would get that in Franco.

Mr. Dave Angus: And I'm not surprised. I'm not surprised at all Councillor Magnifico.

Mr. Speaker: No further questions. Thank you very much Mr. Angus.

Moving on to delegations regarding item 1, report of Property and Development of July 5th. On the 10 minute spot Heide Chater. Heide Chater? Is she no longer…? Heide Chater. We'll wait. Don't trip we'll wait. This is regarding the listing status of the Chelsea Court Apartments. Welcome.

Ms. Heide Chater: Hello, good morning, I didn't realize I was speaking so quickly. So anyway, I'm here today because I believe that Chelsea Court should be listed heritage. I'm just going to review a few quick things for you. First thing it was built in 1914 and by Paul C. Samwel, Winnipeg's only example of the maisonette style of building.

I believe that you have not been fully or correctly informed of the information regarding Chelsea Court. So today I would like to present to you some ideas, suggestions, and the information that hopefully will conquer some of the setbacks, problems and issues that have been brought up to you regarding Chelsea Court.

First, I would like to step back to the third P & D meeting and review with you a few facts which were presented at that meeting. First I would like to say that I had presented a 1,277 signature petition from people who would be interested in seeing Winnipeg having Chelsea Court listed heritage.

It is also known that the owner has neglected to maintain these buildings for many years. It is also known that the owner has torn apart the insides of Chelsea Court since the tenants were evicted one year ago. So in essence by allowing her to have demolition, we are rewarding her for not, for neglecting her properties and such a wonderful building.

Thirty-two tenants and more people have lost their homes. Some of the tenants lived there and were evicted a year ago. They had lived there for over 40 years. This was their home.

You were shown pictures that were taken in February 2005. You were shown pictures of a building that was demolished on the inside. You were shown pictures that had been taken, some of the historical elements removed. You were also shown pictures that misguided you.

I have pictures here which were taken one year ago when I was evicted from Chelsea Courts. I don't know if I can hand these around, but these buildings…

Mr. Speaker: Yes. Mr. Clerk would you take the photos and they can start around from Councillor Wyatt.

Ms. Heide Chater: These buildings that I have here are taken from various suites throughout the building one ago year ago. So whatever happened during the winter, I have not seen the inside, I am unaware and these pictures show what a lovely, charming, character building Chelsea Court was and is still to this day.

I would like to stress that Chelsea Court, the layout itself fosters and promotes a community life. The tenants together, we took care of the gardens, maintained the buildings. We were neighbours. Since we have been you know, no longer there, that community spirit has lost and I myself feel it.

Being downtown and living on that corner promoted convenient living. I was able to bike or walk or even bus to work and any of the local amenities downtown. I believe having a convenient building like Chelsea Court which promotes community is healthy for living. It is also healthy for cleaner air and coming together as a community.

Instead of destroying this community, in fact, I think we should have more. I would like to just show you again some other pictures, just tenants. We had fund-raised enough money to invite all the tenants to a farewell goodbye barbecue. And I mean this is just what we did to say goodbye to the place, I'm sure we could do some fund-raising to help restore the building.

I would also like to show you this. I found this in a *ComFree* magazine about Winnipeg's quest to become a smart community where we're a cyber village. Well you know what I think that's a fantastic idea and I also think it is a fantastic idea if we take the elements in community that Chelsea Court offered combine the two and start a new trend and promote downtown environmental living, riding bikes, just enjoying our outside as well as looking into the future of cyber village.

As well I would like to, figures, I just wanted to clarify this. Figures were presented last meeting regarding restoration. I believe, I don't have the figures myself, I'm sure you do, but from what I recall it would work out to be about $250,000 per suite restoration, for a one bedroom. It was also explained that the price would be inflated for a two-bedroom. I want to make it clear that the square footage for the one bedroom is exactly the same as the two bedrooms, so therefore there shouldn't be much cost difference.

As well I'd just like to show an idea that I had come up with because the issue, one of the issues which I believe should not be an issue for downtown living, is parking. It was said that there wouldn't be enough parking for all the people therefore not allowing enough interest for people to buy. Well I have photographed the corner and it is, as you see here the City had began to put in a new sidewalk. However, when they found out that Chelsea Court tenants were being evicted they left the sidewalk. So there is only half a sidewalk down that boulevard. So my suggestion to you today is why do we not, since we don't need the sidewalk, it is obvious, it's not inflicting our way to getting to the river walk, why do we not cut off this boulevard, possibly sell it or donate it to the owners.

I've worked it out that from this section here from the boiler room to the road it's about 20 feet. And if you take from the sidewalk, which you see the whole corner, it is a little bit down this way, so enough space from the stop sign to where you can start to park and towards the back here, it's about 112 feet of usable parking space, as well leaving nine feet per spot, so that means 12 spots. There is an old tree at the back here which the owner liked to tear down the branches so I just suggest we get rid of the tree, adding two more spots. Plus the original eight, that leaves 22 parking spots available for parking and in the old days, I have pictures where they used to park on the opposite side of the street, so therefore that would give another four spots of City parking and so that would be about 26, there is 32 suites. A few people might have to bike to work.

So basically, just in summing up, a few things. Chelsea Court is an amazing concept. It's a very inspirational building for me. It has allowed me to find the love of historic buildings. I've used my imagination and wonder as well as the want to learn about my history and my heritage in Winnipeg.

I miss the community atmosphere that Chelsea Court promoted and allowed. I miss the convenience and the easy living of downtown, living on that corner. I also miss the green space in and around the buildings. I no longer can garden or enjoy my neighbours.

In summary, to where I would just like to leave you with a quote that I think says a lot about our history, sometimes we don't look at it in that way. But "we do not live in our own time alone, we carry our history within us", that's Justine Garder. Please look at the recommendation of having Chelsea Court listed as heritage. I believe it's very important. I believe that there are many ideas that we can look at and suggestions that are available. I don't believe we've explored every option as I have presented a few new ones to you today and I hope that you know, if you decide to tear it down, well I hope you look at possibly the new plans and build, rebuild as is, because it is a wonderful, it's a wonderful building.

Mr. Speaker: Thank you.

Ms. Heide Chater: Thank you.

Mr. Speaker: Thank you very much. The next delegation on the same side of the same matter, Cindy Tugwell, on behalf of Heritage Winnipeg. Welcome.

Ms. Cindy Tugwell: Good morning Your Worship, Councillors. I'm here this morning to speak in direct opposition of the recent decision by the Standing Policy Committee on Property and Development not to put the Chelsea Courts on the conservation list. It is quite disconcerting what has happened over the last decade with Chelsea Courts. It is not looking at it just as an individual building but it's a time that Winnipeg starts looking at the historical continuity and character that a

building adds to an area as a whole in the streetscape.

I think we have an obligation to be good stewards to our built environment, our built cultural environment. In this particular case the building was allowed to deteriorate for 10 years. In 1995 the owner did indicate in a Property and Development meeting that the building was allowed to, he basically did not want to put any more monies into the building, it was allowed to deteriorate and subsequently the building had been, the tenants were vacated from the building. With anticipation, I might add, that in the letter stated that the tenants would be vacated in a two month period that the building would come down last fall.

The issue becomes the importance of our heritage. Again the character of the area, it was stated as a solution to possibly defer your decision, to give us more time to look at various options. One of the options that the owner himself had brought forward was to look at upper-scale condominiums to restore them. He did indicate that the building was quite expensive to restore due to the deterioration. Again, I will stress that because the building had to be, the building owner had not invested any capital funds and maintenance into the building over a ten-year period; it was allowed to become very costly. So we're faced with a decision now that becomes very reactive, looking at the costly repairs.

So what we did was took the liberty from the last meeting and previous discussions from our board of directors to look at what other countries have been doing. Some examples, the Historical Buildings Committee right now makes the recommendations based on the architectural merit. Heritage Winnipeg does look at economic viability. It was very viable as an apartment block, as an apartment unit. And looking at particularly the Netherlands and the U.K. and other countries in Europe, I think it's time that we would like to propose to Council and subsequently to the Historical Buildings Committee that we could put together a stakeholders group and look at possibly implementing maintenance strategies as part of making amendments to the *Charter Act* and looking at putting those amendments in place as a proactive solution so that I'm not standing up here always trying to plead the case of obviously expensive restoration versus demolishing the building and building new.

These have been proven for over 30 years, the Netherlands has had a maintenance strategy in place and they have proven very effective and actually quite cost-efficient. Over the years it has been proven that costs have gone down substantially by becoming much more proactive. What happens is is it's a multifaceted system where there is a data base put together, the buildings are rated from high-risk to low-risk and again rewarding owners for continuous maintenance, putting monies into the buildings on a continuous basis as opposed to sporadic major restoration and again it becomes very costly.

So we would look at putting a stakeholders group together which would include the Province of Manitoba, a very important stakeholder, the City of Winnipeg, and other community groups. Also there is a pilot project in place in the U.K. right now. Heritage Winnipeg has been approached most recently with our virtual website as an inventory of interior spaces, to be one of Canada's first examples of looking at putting together a data base which would be needed to be put in place in order to keep regular maintenance in place. And there is, for instance, the program offers sporadic minor repairs to buildings that haven't been falling apart, major repairs and recommendations are made. There's heritage grants and tax credits for those who have a regular maintenance plan in place.

So we urge you today to look at putting this building on the conservation list to protect it from imminent demolition. If in fact that can't be done, to at the very least defer your decision on putting it on the conservation list, so that we can look into some other options that we know are available. I think we have to remember that was said previously and very well

that there were boom years in Winnipeg and our history and our heritage can't be changed. We have an obligation to provide that unique history and heritage for future generations. We only have one shot at this and we're here today to plead to you to make the right decision, to be stewards of our unique heritage.

I wanted to add as I am thinking of it that I've been privy with being a part of Heritage Winnipeg for over a decade, our recent Doors Open Program, we do many walking tours, we're in schools with educators. Obviously our heritage is very important to Winnipeg. Thank you.

Mr. Speaker: Thank you very much. Questions? Councillor Lubosch followed by Councillor Gerbasi.

Councillor Lubosch: Thank you Mr. Speaker and thank you Ms. Tugwell for your presentation. You referenced that there is a requirement for some capital improvements in the building and that nothing has been done for about ten years. And you have also referenced that there is capital available in heritage grants and tax credits. A number of experts have looked at this building. Can you hazard a guess or an estimate as to how much is required and how much is available in terms of capital?

Ms. Cindy Tugwell: Unfortunately in the recent engineer's report by Crosier Kilgour there is no dollar amount. He did indicate in the report that its poor to fair condition and he did stress in the report that most of those major repairs are necessary due to the neglect of the maintenance of the building. So I must stress that a lot of these expensive repairs that the building owner would have to undertake are due to their own neglect. Unfortunately I don't have a dollar amount though in response to your question.

Councillor Lubosch: Thank you.

Mr. Speaker: Thank you. Councillor Gerbasi.

Councillor Gerbasi: We have a difficult situation here because you have the person who owns the property who would like to have it demolished and they would obviously be a lot easier to just build something new and make more money and not have to deal with heritage grants and all those things. But are you aware that there is up to a million dollars available in grants which is the same amount the Union Bank Tower, for example, is getting? Are you aware of that?

Ms. Cindy Tugwell: Yes I am and actually to add to what I had mentioned about the elements that are already in place we're about 75% already there to implement this maintenance strategy that I am speaking about. We have what's called the Historic Places Iniative which is a national program. It's already put together, all the individual Provinces, registers of designated or conservation list buildings to earmark the buildings that should be protected. We're already looking to our own individual City bodies for the expertise that you require today to understand why it's of historical significance. What we need to, I guess be a little bit more proactive in is understanding why we get to the point we're here today to always plead the case that these buildings should not undergo imminent demolition due to neglect.

Mr. Speaker: Thank you very much.

Ms. Cindy Tugwell: Thank you.

Mr. Speaker: Moving on to our agenda this morning the regular items, the report of the Executive Policy Committee, first the report of July 6th, Mr. Mayor.

REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED JULY 6, 2005

Mayor Katz: Thank you Mr. Speaker. I'd like to introduce the report of July the 6th and move adoption of Consent agenda items 1 through 3.

Councillor Wyatt: Item 1.

Mr. Speaker: Item 1 has been asked to be stood down.

Consent items 2 and 3.

All in favour? Contrary? Carried.

Item 1.

**Item 1 – Cloutier Drive Trail –
Land Dedication Reserve
File EP-2**

Mr. Speaker: Do you wish to introduce the clause Mr. Mayor?

Mayor Katz: No I would rather just…

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Yeah I just rise Mr. Speaker just to say that this is part of the Trans-Canada Trail, a very worthy project. And it is, it's a trail that's being built along Cloutier Drive, similar to a sidewalk, that will, part of land dedication, meets land dedication criteria and to just to cite one of the arguments before in the Cloutier Trail Association is that this project is significant. A primary and most significant need for the project is to provide for a safe area for recreational use. Safety is the key thing with this project and I'll be supporting this clause.

Mr. Speaker: Thank you, Councillor. Is that it?

All in favour of the clause? Contrary? Carried.

Report of July 13th, Mr. Mayor.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED JULY 13, 2005**

Mayor Katz: Mr. Speaker I would like to introduce the report and move adoption of Consent agenda items 1 and 2.

Mr. Speaker: All in favour? Contrary? Carried.

Report of July 20th.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED JULY 20, 2005**

Mayor Katz: Mr. Speaker I would like to introduce the report and move adoption of Consent agenda items 1 through 2 and 4 through 13.

Mr. Speaker: Consent agenda, all 15 items with the exception of item 3, any other items to be stood down? Councillor Wyatt?

Councillor Wyatt: Yes, items 2, 4 and 9.

Mr. Speaker: Anything else?

Councillor Swandel: Item 10 Mr. Speaker.

Mr. Speaker: And 10. Oh, good. Anything else? Okay.

The question is on Consent items 1, 5, 6, 7, 8, 11, 12 and 13.

All in favour? Contrary? Carried.

2, 3, 4, 9 and 10 have been stood down.

**Item 2 - Exchange District
Business Improvement Zone -
Land Dedication Reserve
File EP-2**

Mr. Speaker: Mr. Mayor.

Mayor Katz: Yes item 2 is basically, I guess you could call it, a bike compound so people can travel to and from work by using their bike which I think would be a very responsible thing to do. And I would like to hear what the problem is with that, I'd be happy to listen, it seems to be a rather, basic matter.

Mr. Speaker: Speakers? Councillor Wyatt followed by Councillor Pagtakhan.

Councillor Wyatt: No problem Mr. Speaker, I am rising to support recommendation number 2. It's what I understand as been pointed out by the Mayor a bike compound, $8,000. It does not meet land dedication reserve criteria and we are waiving that criteria because

of that. But I think having said that we are waiving it because it is a worthy project, it's important to, it's been identified as being important to the Councillor of that ward who sees it as an important initiative into the area. And though it doesn't meet criteria for the land dedication reserve account, I side with the Councillor for the area because I think he is seeing it as an important project. And I think it would be very useful that the City participate in this project, so there is actually no problem and I support the project and I encourage all members of Council to support it and to waive this criteria as well. Thank you.

Mr. Speaker: Thank you. Councillor Pagtakhan.

Councillor Pagtakhan: Thank you Mr. Speaker and I appreciate the comments from my colleague from Transcona. I just wanted to say thank you to Harry Finnegan, Director and for Kevin Nixon our Parks Planner, as well as David Hill our COO for Parking Services, for embracing that from the administration. It is a great project.

It's going to be going in the Old Market Square to entice more people to bring their bikes to work, and to bike to work and to have a safe place to house their bicycles. So with that I appreciate the comments from my colleague and from the Mayor and I will be supporting this project.

Mr. Speaker: Question on the clause.

All in favour? Contrary? Carried.

Clause 3.

Item 3 – Award of Contract for the Provision of Dark Fibre Services
File GL-9

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker the reason I wish to refer this back. This is an expenditure of approximately $3 million dollars. As you can see it was a rather heavy agenda. I think this is an item that EPC trying to show some fiscal responsibility should be looking at. Just wanted to do a little bit more research to make sure that this is an item that we need at this point in time and I would like to refer it back to Executive Policy Committee.

Mr. Speaker: We have a question on the referral.

All in favour? Contrary? Carried.

Clause 3 is referred back to Executive Policy Committee. Clause 4.

Item 4 – Sidewalk on Bournais Drive – Land Dedication Reserve
File EP-2

Mr. Speaker: Do you wish to introduce it Mr. Mayor?

Mr. Mayor: You know what, I think what I would rather hear is from Councillor Wyatt first.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. This recommendation from EPC, I went before EPC previously last week hoping for the support. This has been identified by myself as a need in the community. It would require the waiving of land dedication reserve criteria, which we have done already today for other projects that are worthy and identified by Councillors.

This project is crucial, Mr. Speaker, because it's a safety issue. It's a safety issue, because right now I have constituents and actually non-citizens of Winnipeg who travel, who work in an industrial park, who commute via our transit system, who walk along where there is no sidewalk right now, a strip of land called, along Bournais Drive.

There is literally if anyone doesn't believe, somebody walks there there's a cow path that's well tread. In the wintertime there's no cow path because of the snow and ice and so people are forced to walk on the street. For two and a half years I have been attempting to try to resolve this issue. My predecessor tried. My predecessor pushed for, normally

sidewalks, as you know Mr. Speaker, are built through local improvement. The exception for that of course would be if it was for a regional street. But it is not. But a local improvement was moved by my predecessor because of the lands unfortunately adjacenting this piece of property, they are all industrial, the industrial users overwhelmingly voted against the local improvement and rejected it and so left us where we are right now.

I have been working with some of the industries in the area; one industry has come forward in supporting this project with a contribution of over $10,000 dollars and the balance I am suggesting of $24,000 and change to come from land dedication because of the safety issue. This is a safety issue that I have identified in the community.

I understand this was a split vote on EPC, this was a 4-3 vote, and I appreciate the support of the Councillors on EPC who supported it. I would appeal to Council today to support this. You know we could go on and on and drag this out forever, but somebody is going to get hurt there because it's a busy strip of road, there is a lot of traffic, because it connects a residential area to an industrial park and it's, there's real need.

So I would encourage Council, I know we have many issues on the agenda today and I don't want to take Council's time but I would encourage Council's support on this because it's been identified by a need by myself and my predecessor and will continue to be if we don't address it now. Thank you.

Mr. Speaker: Thank you Councillor. Mr. Mayor summing up on the clause.

Mayor Katz: I very much appreciate Councillor Wyatt's concerns and he has made some very fair and accurate comments. This is a scenario that EPC gave a great deal of thought to Mr. Speaker. And Councillor Wyatt is also right that there are other scenarios that come before us that do not meet the criteria and we do waive them, for example, the one he pointed out with the downtown bike compound which is rather unique.

In this situation EPC believed that every Councillor has a situation or many situations like this that would exist in their ward and if you start at this point in time where does it end? Which means nothing will be happening to meet the criteria.

And although we did identify the fact it should come, as Councillor Wyatt said, from the businesses in the area, they did turn it down, although one was generous enough to be prepared to make a contribution, we did say that maybe there were other avenues open to us that we could pursue to resolve this problem. But going this route would not be the right step. Thank you.

Mr. Speaker: Thank you Mr. Mayor. No. The Mayor has summed up on the clause. The Mayor summed up on the clause.

Question on the clause and it will be a recorded vote. All in favour of the EPC recommendation to not approve the expenditure from land dedication please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Eadie, Clement, De Smedt, Steeves.

Nays

Councillors Benham, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Swandel, Thomas, Wyatt, Mr. Speaker Councillor O'Shaughnessy.

City Clerk: The vote Mr. Speaker, Yeas 5, Nays 10.

Mr. Speaker: The clause is defeated.

I'll have to ask Mr. Clerk if this in itself means anything more than that clause

being defeated and what would the procedure be for the Councillor to get it on our agenda to approve the expenditure? Under motion. Under motion, a separate motion to approve the expenditure would be in order if it were handed into the clerk in writing before we dealt with motions at EPC.

Councillor Wyatt: Thank you.

Mr. Speaker: Clause 9.

Item 9 – North End School Resource Officer Program File GF-2

Mr. Speaker: Mr. Mayor did you wish to introduce?

Mayor Katz: Yes Mr. Speaker, this is a pilot program that we had in effect for a three year period of time. It was a joint venture with the Province along with the school board. It has now come due as you know school is starting once again very shortly come September. This was a program that we believed had very positive results. The City has definitely prepared to continue its commitment, the exact same commitment it had made in the previous program. The cost of this program would be approximately $30,000 dollars a year in kind which would be a total of $90,000 for the three-year program. I believe the Province has made a commitment and they support the program as well as the school board and I believe everybody is anxious to get this going. Thank you.

Mr. Speaker: Thank you Mr. Mayor. Councillor Wyatt did you ask it to be stood down?

Councillor Wyatt: Yeah I did, thank you Mr. Speaker. The Mayor's quite right, this is an excellent program. I pulled this off because I think we often point out the problems we have in the City without also celebrating our victories. This is an excellent program that's been going on now for a couple of years and it's welcome to see this being renegotiated here again with the Province and the school division to continue the program. I would encourage members of EPC and the Mayor to look at expanding this program so that it is citywide.

I just had a chance to meet with the Superintendent of the, which is the equivalent to our Chief of Police, for the City of Richmond. The City of Richmond actually bucked the national trend and their crime is down significantly. For the last four years they've had a proactive policing model where they have also gone out into the schools. They have an officer assigned to every high school in Richmond and to every junior high in Richmond. And they didn't have enough money to put officers into elementary schools but what they did is they actually came, went to their police officers and said in your own time would you be prepared to volunteer to work in these schools? And they had volunteers come forward.

They have a proactive approach that they've been implementing for the last four years of going after the broken windows theory of crime, going after crime before it is out there, and trying to nip the problems in the bud. And it has taken them four years to get where they are now. It didn't happen overnight Mr. Speaker, they did it through a continual process of improvement, of reaching out to all the various community groups, reaching out to healthcare groups, reaching out to social services groups, reaching out to everybody including the youth, and they have made a huge improvement.

And Vancouver to the north of them and Surrey to the northeast of them, is seeing crime rising and Richmond surrounded by this, the sea of crime if you want to call it, is actually seeing their crime rates fall. And they are leading the country. There are actual municipalities coming from across the country to look at their model on how they're doing things.

A month and a half ago Mr. Speaker, I appeared, I had a chance to hear Ward Clapham, who is the Superintendent, the Chief of Police for Richmond, speak at FCM. I attended FCM, had a chance to see him, meet him there. He spoke to a group of us, a group of municipal officials.

I came back and a month and a half ago I went to the Standing Committee of Protection and Community Services and I encouraged them strongly and I encouraged them again to bring Mr. Clapham, his invitation, or he is prepared to come and do a presentation to the Committee and to Councillors, and to show how they have been able to make some positive improvements. And the North End School Resource Officer Program is basically not only done in a certain communities in Richmond, it is done citywide.

And I can tell you right now there is issues in my schools that I know have to be addressed and I know every Councillor has those issues in their schools and in their communities. We have to start to address them and we have to start reaching out to our young people in order to do that Mr. Speaker.

So I would strongly encourage, I welcome this, I will be supporting this, I strongly encourage the Mayor and EPC and the chair of Protection and Community Services to look at expanding this model citywide so that we can see some real results with regards to it, as well as looking at bringing in and looking at a total proactive approach to policing instead of reactive policing Mr. Speaker. Thank you very much.

Mr. Speaker: Thank you Councillor Wyatt. Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker, I want to thank the Mayor and Councillor Wyatt for their comments. I just, I want to temper this motion. I want to temper expectations on this motion. Just to let everyone know exactly what is going on here.

Historically, in my understanding, is that this was a program that was initiated by the Provincial government in conjunction with Winnipeg One School Division. At that time, and not unsupported by the City of Winnipeg, but I want to be clear that the idea of doing this type of policing in schools was not necessarily a banner that was carried initially by us here at the City. The reason that's important is because the schools of course and everybody here understands, are under the direct jurisdiction of the Province of Manitoba and the local school board that is responsible for the schools in question in this case was Winnipeg One, The Winnipeg School Division.

Obviously, when these decisions are made and our participation, and when the funding comes for a term, which I believe in this case was around in the environment of three years, there are some cost implications which through in-kind support and other things are delineated specifically in the itemized report.

I do want people to remember when we start talking about the expansion of programs like this and how this would be a great thing to run in other schools right across the City, etcetera, etcetera, etcetera, while philosophically may be true I want to remind people of the budgetary implications and the challenges that exist in the consequence of doing so.

The reality is, is that a few years ago when this program was initiated by the Province in the school division, I think the Province was in for over a quarter million dollars, the school division up to $100,000 dollars and of course our in-kind and Police support. We provide the actual people, the Police Officers who are under our direct jurisdictions to be in the schools. That's what we do because we train them and they work for us, I guess is for want of a better term. We back-fill those positions of course with three new recruit hires at the bottom end, people that we bring in.

As these projects rise and fall, and as the I guess the political shine comes off the apple or doesn't come off the apple, the reality is, is that we are left at the end of the day with the three additional people in our complement. Which we no doubt can use, I don't deny that for a second but everybody should understand the budgetary implications of that. If these types of programs are began by other levels of government and then are not continuing this is what the concerns the

Police Department. This is what the challenges are that sometimes exist.

So while we are talking about these types of programs and how great they are, and I don't dispute that for a second, they may well be great programs, they may have great utility and great benefit. That may well be the case and in fact I suspect it probably is. Let's be careful though about talk about the expansion unless we can get some bonafide commitment from our friends from the Provincial government and our friends at the school divisions that they will be there for the long-term, in terms of funding. This is a good program if they are. This is a significantly fiscally challenging program if they are not. Just want to be clear Mr. Speaker.

Mr. Speaker: Thank you Councillor. Councillor Benham.

Councillor Benham: Thank you Mr. Speaker and I will be brief but I just, I also wanted to join Councillor Wyatt in commending the Mayor and Executive Policy Committee for bringing this motion forward. It is the right thing to do. And also commend Councillor Wyatt for his work before our Standing Policy Committee on Protection and Community Services where he did exactly what he said. And as a result we have not yet heard from the B.C. Superintendent that he is recommending. And I agree with him that that's a good idea on a continuing basis.

But we did ask the Chief, the Police Chief Jack Ewatski, to come before us and talk about the program. And we heard some very good things about this program from him. He is an enthusiastic supporter of it because he believes it's a long-term investment in reducing crime. Exactly along the lines as Councillor Wyatt has outlined.

We also heard, some of those of us who sit on the Committee and also represent old City of Winnipeg wards that is Councillor Smith, Councillor Gerbasi and I, also met with Trustees of the Winnipeg School Division and heard their enthusiastic support of this program. They believe that it is having major positive effects in the schools that they're responsible for and they asked us for our political support for this program which we were only to happy to give.

Finally, Mr. Speaker in terms of endorsements, I think I can do, I can't go any better than the inner city resident who was actually waiting for Councillor Pagtakhan one day but I started to chat to him and he was going in to see the Councillor and he told a story. He works as a volunteer in a school that has a school resource officer and he told the story of kids who had earlier in the year were very negative about the Police and would make very rude comments, comments you wouldn't want to repeat here and how at the end of the year, the Police Officer was the guest of honour at the graduation. He was cheered by all the students. And there had been a remarkable turn in the attitudes in that school. A very positive development and one that I think we have to encourage.

I understand completely what Councillor Steeves is saying and of course it's a continuing theme of Councillors Eadie and Clement and De Smedt that this Council always must be careful about committing itself to multi-level programs, multi-year programs, on the basis that somebody else will have the cash because they might not. And that is true and we have to be cautious and prudent about that, but Mr. Speaker we also want to show leadership. We also want to endorse this program. We want to push for it. Police Officers are of course primarily within our jurisdiction and I think it's a program we want to support in every way we can. Thank you Mr. Speaker.

Mr. Speaker: Thank you Councillor. Councillor Smith.

Councillor Smith: Yes Mr. Speaker. After hearing Councillor Steeves I wondered if he was going to be supporting this clause or not, you know. There has to be, there is a need here. It is nothing; this is not a new idea. You know, Vancouver's had it, Surrey's had it, Calgary's had it, Edmonton has it. All these areas have it and it's been proven successful in every area.

I don't know why we shut our eyes and say you know it's only going to be open for these few schools in the North End. I was a school teacher. Most schools have over 1,000 people. They're little, they are communities. We should, we have the responsibility of policing and I'll tell Councillor Steeves, policing is a major Civic responsibility, not the Province. The City. And so we should be in the schools. We should be working with the students. It's a good program. We should be supporting it and I going to watch to see if Councillor Steeves votes for this.

Mr. Speaker: Thank you Councillor Smith. Councillor Gerbasi.

Councillor Gerbasi: Thank you. I also just wanted to make a few quick points on this. I too think it's been an excellent program and its success has been proven. I am a little, we are a little frustrated at the Standing Committee that the information, we weren't provided or kept up to date with the pilot project. We had to request sort of at the last minute as the program was ending to get an evaluation of the program, even though it's something that is part of our Policy Committee. So that was just one point that I wasn't too happy about. But ultimately we did ask the Police Chief to come and speak to us. We've received copies of the evaluation now and it was a very, very positive evaluation.

The second point I wanted to make is that this is an example of crime, of proactive, as Councillor Wyatt said, proactive crime prevention initiatives. There has been talk lately with the statistics this week of crime that I have been hearing from the Mayor's office, he met with Stephen Harper and was talking about tougher penalties for young people. This is the exact approach we should be taking which is facilitating, preventing our young people from getting involved in crime. Preventing, proactive strategies prevent that, rather than just years down the road punishing them more after the crime has been committed, after the damage is been done, after the lives have been ruined.

So let's start being vocally supportive of active crime prevention initiatives as that prevents youths from getting involved in crime as a prime example and that's what perhaps what the Mayor should be discussing with Stephen Harper when he is having those meetings. Thank you Mr. Speaker.

Mr. Speaker: Thank you Councillor. Gerbasi. Mr. Mayor to sum up. No.

Question on the clause.

All in favour? Contrary? Carried.

Clause 10.

Item 10 - 2005 Flood Disaster Assistance Relief
File G(A)

Mr. Speaker: Mr. Mayor did you wish to introduce?

Mayor Katz: Yes please. As everybody knows, with the record precipitation we've have had this year and as a result of overland flooding, as well as basement flooding, a lot of our citizens have been, shall we say, seriously impacted in a very negative way. We have put forward a motion to go forward to the Province and asked for disaster assistance in this. I believe it was, I think Councillor Swandel was one Councillor whose ward was severely impacted along with many others, and there's very little doubt in my mind that we should be proceeding forward to get the relief for our citizens and hopefully we'll be successful in a very, shall we say, short time period. Thank you.

Mr. Speaker: Thank you Mr. Mayor. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. I asked for this to be stood down mostly to speak to one phrase in it and that is the phrase "that in accordance with their established policy". As we are probably all aware, much of the damage that happened in the St. Norbert ward and particularly in old St. Norbert and parts of Fort Richmond was caused by sewer back-up. The Disaster Financial Assistance policy does not allow for compensation due to sewer back-up.

It's my belief, and I don't know how it can be interpreted by the policy that heavy water level or high river levels as a result of overland waters, further that power outages due to damages by the storm, in some cases winds in excess of 100 kilometres an hour and in particular locations rains in excess of 100 millimetres of rain in 45 minutes, contributed to the sewer back-up in people's homes.

While I believe we have to move forward with this today, I think that it's incumbent on us to do all we can to encourage both the Federal and Provincial levels of government to look at how the sewer back-up happened and to have it included as part of the Disaster Financial Assistance Program.

Mr. Speaker: Thank you Councillor.

Councillor Swandel: Thank you.

Mr. Speaker: Question.

All in favour? Oh, I'm sorry, I call that back. Councillor Steeves you had asked to be heard.

Councillor Steeves: Yeah, I wanted to be, just a little bit, a couple of comments on this, just probably for the purposes of administration discussions with the Province. Just so everyone is aware. I didn't probably experience the degree of difficulty that Councillor Swandel did in his ward but it was a bit of an issue in St. Vital, at least in some areas where there was combined sewers.

People may or may not be aware, we are not; in all likelihood the Province is going to take the position that they are going to be funding for disaster relief for overland water, water that's coming overland and flooding basements. The reason the Province is likely going to take the initial position that they are not going to be, they are not going to be funding for sewer back-up, it's my understanding that it is an insurable risk. And of course as a City we have to be very, very careful about our position on that. The last thing I think any of us want to do is start taking on the responsibility to pay out, or asking our Province to take out this responsibility to pay out, in situations where many people in our community have actually bought insurance to cover that risk.

The specific point that I am standing up on Mr. Speaker, and I am hoping that our administration will hear this, is that it's come to my attention that, in many cases there's a maximum for insurable risk for sewer back-up, and I think in many cases its $10,000 dollars that private insurance companies are offering. In that case, I am hoping the Province will take the position, if that is in fact true and I believe it may be, if that is in fact the case, I am hoping the Province through their Disaster Assistance Relief Program will be taking the position that any damages above and beyond that $10,000 dollars may in fact be refundable to the homeowners. I think that would be reasonable because it would fall then in my estimation, outside of the insurable risk.

I only point that out for the purposes of discussion because I think our administration may be talking to the Province on that particular point and while I would be loathe I think to take the position, I think it would be irresponsible to take the position that we should be covering people that could have got insurance. If there is indeed this limit that exists, we should maybe be asking the Province and the Province should be investigating that reality, that people can only insure up to a certain level and beyond that it might come into the same category as the overland flooding. Thanks Mr. Speaker.

Mr. Speaker: Thank you Councillor.

Question on the clause?

Those in favour? Contrary? Carried.

EXECUTIVE POLICY COMMITTEE
NOTICE OF MOTION

Mr. Speaker: Notice of Motion. Councillor Benham do you wish to introduce that motion?

**Moved by Councillor Benham,
Seconded by Councillor Smith**,

WHEREAS the City of Winnipeg is a member in good standing of the Federation of Canadian Municipalities

AND WHEREAS the Federation recently held its annual meeting in St. John's, Newfoundland;

AND WHEREAS the City of Winnipeg has directly benefited from membership in the Federation by receiving funds negotiated by the Federation from the federal government;

AND WHEREAS eight Members of Council attended the meeting on behalf of the City of Winnipeg and benefited from the opportunities to meet municipal leaders from across Canada and take part in the programs;

AND WHEREAS the Mayor was not among those eight members of council who attended, and his presence was missed;

THEREFORE BE IT RESOLVED that City Council urge the Mayor to attend at the next annual general meeting of the Federation of Canadian Municipalities, to be held in Montreal from June 2 to 5, 2006.

Councillor Benham: Yes, thank you very much Mr. Speaker, and this of course has to do with the FCM, Federation of Canadian Municipalities. And we are, of course, a member in good standing of that Federation. Eight Councillors around this table chose to go to the most recent annual meeting and I am told found it very productive. In fact, we have an example from Councillor Wyatt just a few moments ago during debate where something he learned, a contact he made, information he received about best practises in another city was relayed to one of our Committees and it's had a positive effect on policy development already.

So there's a direct connection between City of Winnipeg members of Council, and I am going to use the general members of Council, between City of Winnipeg members of Council going to The Federation of Canadian Municipalities annual meeting and coming back with contacts, with ideas, with knowledge about how things are done in other Canadian cities. Knowledge gained directly in an experiential way and in a way which allows those people, those participants to ask meaningful questions of people who have the answers and develop their own relationship and networking and so on, as a long-time benefit to this City.

As a rookie Councillor Mr. Speaker, I did not attend the recent meeting but I certainly commend those who did. And I did attend the annual meeting of FCM held in Winnipeg in early June of 2003 and I was part of the FCM's co-ordinated response on the Federal Budget in February of '03. So through that experience Mr. Speaker I was able to discover what a valuable organization this is. This is an organization that bands together every single municipal government in Canada Mr. Speaker, so that they all speak with one voice.

Sometimes it means that the voice of cities is a little bit weakened by the voice of rural municipalities. There are always trade-offs that must be made when there's an aggregation of interests and when one organization speaks for a wide range of interest. But Mr. Speaker I will take the advantages, the advantages of banding together and of speaking with one voice, over the disadvantages of having to listen to some other voices which doesn't seem unfair to me, over ignoring the organization, allowing it to rust through disuse. In essence putting down the organization by not being part of it.

And so it is for that reason Mr. Speaker, that I was quite surprised to see media coverage of the eight members of Council who went to FCM and a quote that was unattributed but apparently came from perhaps, perhaps, well, who knows who it came from because it was unattributed, but it made, it said this was blankety-blank insane. Insane for members of Council to attend FCM. Blankety-blank insane.

Mr. Speaker I don't think so. I don't think so, and if the Mayor's office and those who decide the Mayor's schedule including the Mayor himself hold that view, let the Mayor say so. Let the Mayor declare to this Council that all eight members of Council who went to the most recent FCM meeting were wasting their time, wasting the taxpayers' money. Because I don't think they were Mr. Speaker and I hope none of the eight think so and I hope none of the other seven members of Council think so either.

I hope we all realize the value of this organization and the value of being part of it. Many, many programs have emerged because of the work between this City Council specifically, Mr. Speaker which has taken a leadership role in the FCM, and working with all the other municipalities through the FCM. The new deal would be a very good example of that. The money that this City will, perhaps, some day receive from the gas tax is another example. Another example would be money that is available for green infrastructure projects Mr. Speaker, not that they receive a particularly friendly response from this City, unfortunately.

But in fact, all these, all this Federal money is available because of the FCM and because all municipalities in Canada speak with one voice. As I say Winnipeg has been a leader in this respect. Under former Mayor Glen Murray, there was the Creative Cities Conference that was held just before the FCM annual meeting. That was in May of 2003. Again bringing together not just municipal officials, although that's a good thing, but pairing them or marrying them with experts in the field. People with new ideas, new and different ways of approaching cities fiscal crisis and infrastructure crisis. I believe that as well was a useful thing to do and showed the kind of leadership that Winnipeg can provide on these major issues.

There was of course the formation of the Big City Mayors Caucus within FCM, again led by Mayor Murray, again recognizing the fact I have just alluded to, that Canada's biggest cities, Canada's 21 biggest cities have problems and situations of their own that need to be addressed by other levels of government and that there needed to be a separate body. But I emphasize Mr. Speaker, a separate body but still within FCM to deal with those challenges. I think that was the right thing to do and again shows the advantage of leadership from the City of Winnipeg.

The fact is that after this strong lead from the City of Winnipeg, after the commitment shown by eight members of Council who went to this annual meeting, the Mayor didn't show up. I don't know why the Mayor chose not to show up to this meeting, why he missed this meeting. He had I believe, notice of it from the time he was elected onwards. These meetings are announced well in advance and whatever his reasons were this year, he now has plenty of notice, almost a year's notice to book the time on his calendar and go. That's all we're doing through this motion Mr. Associate Deputy Speaker, and it's certainly my hope that all Councillors will join in urging the Mayor to set aside that time in his calendar in the coming year to show some leadership and also to show a willingness to listen to all the other cities and all the other municipalities in Canada to learn and to progress. Thank you Mr. Speaker.

(Councillor Eadie in the chair)

Mr. Acting Deputy Speaker: Thank you Councillor Benham. Councillor Gerbasi, were you, yes Councillor Gerbasi.

Councillor Gerbasi: Thank you very much. Thank you for the opportunity to speak to this motion today. The FCM is an organization that has largely been responsible for getting a new deal for cities such as we have it. It was only a few short years that the new deal for cities was simply not on the Federal agenda at all. It has now become a Federal government priority.

Just to name a few examples, a share of the Federal gas tax revenue for municipalities, green infrastructure funds, $800 million dollars nationally for transit of which $29 million for new transit infrastructure is coming to Winnipeg, $1.6

billion dollars nationally for housing. These were all ideas and initiatives championed by the FCM.

Although we had excellent representation from Councillors as was mentioned, we did not have our Mayor there at the meeting this year, in St. John's. The Big City Mayors Caucus is an important part of the FCM as Councillor Benham has mentioned and we should be on that team, not with the Councillor in his place, but with our actual Mayor being there.

I would like to point out that the Mayor in St. John's this year, the Mayor of Toronto was there, the Mayor of Vancouver was there, the Mayor of Brandon was there. Our Mayor's participation should be a priority. It is noticed by others across the country when Winnipeg isn't represented and people are asking why.

At least four other Provinces have negotiated an agreement regarding the new gas tax revenue to get it flowing to their cities. Manitoba has not. The money is sitting there doing nothing for our citizens. The Mayor recently went to Ottawa and came back without an agreement. I hope he will be enlightening Council on when we will be receiving our share of that money.

But it is also a concern that by not attending conferences such as this our Mayor is out of step with the other Mayors and with the Federal Infrastructure Minister, Minister Godfrey. It is also a concern to me that our Mayor and our Council, some members of Council as well, are out of step with the rest of the country in terms of a growing awareness of the rising price of gas, the greenhouse gas issue and the need to become more sustainable and preserve our environment. We have a responsibility to act on issues such as the Kyoto Accord. If we don't have clean air to breathe or an ozone layer, it may be a little late to start developing a plan.

The FCM and the Federal government are very focused on these international treaties and the concerns of our environment and we should be too. It seems apparent because of the gas tax revenue is linked to these issues. It seems apparent that our Mayor is on a different page on these environmental issues. He has been unable to come to an agreement with the Feds to make that gas tax money flow because of that different view.

We have a massive need and cost to address to cover sewer, water and transit issues and finally, there's some relief in sight from the Federal government and our Council and Mayor doesn't seem to want it. Pretty much all the other cities, large cities in Canada are grateful and thankful that they are getting funds that can be put towards transit and other green infrastructure.

Another key problem with receiving our share of this gas tax revenue is the Mayor's plan to cut business tax. The Feds don't want us to take new revenue they are giving us, move it around, spend it on tax cuts with a net result being no real difference in the infrastructure issues and the needs to need to be addressed. That's another reason why these programs have rules and criteria. I don't know why Winnipeg thinks they can bypass all these rules, perhaps that's why we are sitting here with no deal and no money flowing. Perhaps spending time at events such as the FCM the Mayor would build relationships and an understanding that we need in our leader to bring back the goods to Manitoba.

Years ago when there was no new deal on the Federal Government radar screen, municipalities realized they needed to work together to be heard. That is how all this success has been achieved. We need to continue building that strong relationship with a national level and within Manitoba through the AMM. We may not agree with every issue with the AMM but we are a lot stronger when we stand together as a voice to the Province and Feds. If we don't give the Province, if we don't, it gives the Province the ability to divide and conquer municipalities and we are no further ahead.

We have all been there before and we don't want to go back in terms of that kind of approach. Let's not forget these

important lessons that have been learned over the years. I think it is an important issue to discuss which is why this motion was brought here today. And I look forward to hearing one of the Vice-Presidents of FCM, Councillor Steeves, speak to this. Thank you Mr. Speaker.

Mr. Acting Deputy Speaker: Councillor Smith on the motion.

Councillor Smith: Yes Mr. Speaker, I was actually surprised that the Mayor was not there. You know, not because, not just for, to be there to make a presence but to learn from the other fellow Mayors of the large cities. You're a new Mayor. You should find out many of the things that the other cities are facing, and work with them. I think it's, I think it's really important to be there as the Mayor of this City. I mean, why not associate with the Mayor of Vancouver, Toronto and Calgary and Edmonton, Regina, all these Mayors that are there, and are learning all the time and sharing their concerns?

Also, it's important there to lobby, to get to know the Federal Ministers. They're there in abundance and all the workshops, you know in crime and so forth, there's Cabinet Ministers and there is the leader, the Prime Minister of the country. You know, it would have be useful for you to be there. I am not; I'm not saying all this just to give you a rough time. I am saying it because I mean it. I think it's valuable for you to be there and you really missed out on something important.

Mr. Acting Deputy Speaker: Thank you. Councillor O'Shaughnessy.

Councillor O'Shaughnessy: Thank you Mr. Speaker. I agree strongly with the importance, the role, the strength of FCM. I sat as a director of that organization for a number of years. That is totally separate from this motion which I find one of the lowest, most contemptible things I've ever seen on the floor of this Council, since I was first elected here in 1974.

To dare to publicly chastise your Mayor, who has met dozens of times with Mayors of other cities, Big City Mayors Caucus, many other things, for not attending one particular general meeting, I find very distasteful because I cannot impugn motive but I can question motive and that kind of partisan political cheap-shot has no place in this chamber, and I hope this motion is soundly defeated.

Mr. Acting Deputy Speaker: Mayor Katz.

Mayor Katz: Thank you Mr. Speaker. I do find this rather intriguing to say the least. Number one, I can tell you Mr. Speaker, that I have attended the Big City Mayors Conference, the Hub City Mayors Conference, I speak to Mayors on a regular basis. During that specific weekend I was actually in the City of Winnipeg meeting with the President of the Treasury, Reg Alcock, on a matter that I found very, very important to the City of Winnipeg. And I guess what amazes me the most it's almost as if when I hear certain Councillors speaking they are actually making the argument for me.

If we already had eight City Councillors there, who I believe are very competent. Who I believe are attending these to learn. Who as Councillor Wyatt has shown will come back with ideas. At the time we also had the third Vice-President of the FCM attending, who is now the Second Vice-President, who I specifically asked to represent me, with specific questions. We also had the Deputy Mayor who was there as well.

Now, the truth be known, I could be gone to a meeting or a conference, 52 weeks a year. I happen to believe the citizens of Winnipeg want me to spend time in our City accomplishing some work. If there were not eight City Councillors attending that might have been a different scenario. The City of Winnipeg had ample representation there. There's absolutely no doubt about that in any way, shape or form. I personally find this rather silly and immature but I have learned to expect almost anything on the floor of Council. Thank you Mr. Speaker.

(Councillor O'Shaughnessy in the chair)

Mr. Speaker: Thank you, Mr. Mayor. Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. I won't speak very long. I wasn't sure if the Mayor was going to speak. I did want to offer Council every assurance that the Mayor did ask me to attend The Big City Mayors Caucus on his behalf for this particular meeting that happened in St. John's which I think is fairly regular proceedings. I can also offer this Council the assurance that Glen Murray did the same thing on occasion when I would stand in for him. I mean I think everyone understands that scheduling can be a bit difficult and while ideas have to be advanced and things happen, these are just realities of life.

But I would like to say, I guess, as a Councillor and as a citizen, I think it is probably appropriate that during the first year of a Mayor's tenure that you can probably expect the learning curve to focus probably on things happening in the City and then once that base is built from there you'll branch out into the national scene and you will become more prominent, (In Audible).

I can't tell you Mr. Speaker that as far as I can see at least in terms of my dealings with Mayors from other cities across Canada in terms of The Big City Mayors Caucus, my impression categorically is that this Mayor is developing a pretty strong relationship with other Mayors right across, right across the country. The impression I get is that they know him and he knows them and that that working relationship does exist. If I didn't have that confidence, I might have a different opinion, I suppose. But I think that groundwork is being laid and I think it continues to be laid.

I also would like to say, and I guess without sounding too much like I am rushing to anyone's defence, I do know that the Mayor has been out to Ottawa to talk to Minister Godfrey who obviously is the point person on this file in terms of, in terms of FCM's involvement in the whole gas tax issue. Obviously his involvement with Minister Alcock has been documented I guess, exhaustively on the front pages of both papers. We know that those things exist.

I am not going to spend anytime talking about the value of the Federation of Canada Municipalities. I think it's been clearly stated by Councillor Gerbasi, Councillor Benham, Councillor Smith who have I think done a good job of outlining the work of this organization and frankly, the work that was done very ably by the previous Mayor through Big City Mayors mostly and to a lesser extent through the Federation of Canadian Municipalities.

And I, the motion, I don't disagree with the idea of the Mayor attending various conferences, but I have to say, I do agree with you Mr. Speaker that the tone of the motion is a touch insulting. I mean we are all grown ups here and we are all adults and I think anyone of us standing up in Council trying to steward over somebody else's schedule is, I think with respect, beneath I think this chamber and I hope we can sort of get beyond that type of thing and beyond this type of motion which I, which I find does one thing, sort of creating that insulting sort of contemptible tone, but I think worse than that, worse than that Mr. Speaker, and what I find more alarming as a Second Vice-President of the national organization, is that it creates this perceived rift between our Mayor and the Federation of Canadian Municipalities. Which I can stand before you, Mr. Speaker and report I do not believe exists.

I believe there's a strong working relationship between the other Big City Mayors and our Mayor. I believe there's a strong working relationship between our FCM office in Ottawa and this Mayor, through me or whomever else wants to be involved. We are ably represented on the board by Councillor Wyatt and we have a strong presence there. And I am concerned that this type of motion creates that perception which has no utility and no benefit. And that's the problem with this motion primarily in my view.

This is a relationship that is developing. And I think if you'd look, and I mean when I was first elected Councillor and I came

from the private sector, I had no relationship with FCM nor did I have a relationship for the first year. You can probably say the same thing for Glen Murray. You could probably say the same thing or any of us around Council. At first, when you are first getting started you are focused on your job, you are focused on the City. You are just getting, you're getting involved, right here, right now in the City of Winnipeg. And then as you get, as you develop those relationships, you become more solid, then you branch out and you play a larger role and I have every, every confidence that our Mayor is going to do that. And he is going to play a role and he is obviously going to get involved in discussions on the gas tax.

You know this has nothing to do with the motion. But Councillor Gerbasi did allude to some of the challenges that we are facing with respect to our agreement, vis-à-vis the Province. We have some particular problems and I would be happy to sit down with Councillor Gerbasi, because I can't do it in three minutes, and explain some of those challenges that exist for a City that is only slightly over half million people. It now puts us in sort of a separate category where only us and the City of Mississauga practically exist right now and we have some particular challenges that we have to work through.

And we talk about, is it essentially debatable about roads and bridges and that's fine to have that debate. But I recall standing up with all of you with Mayor Glen Murray talking about the concept of user pay. We have to fix these roads. We have to fix these bridges. They have to be paid for by somebody so our people can do the work for us. Now the Federal government has got some idea in the head that we can't use that. We spent a lot of time talking to our people about who should pay for this very, very expensive work. And we said quite clearly, listen, it should be people who are driving cars and buying gasoline who should pay. That's classic sustainable user-pay philosophy. That's what it is. And this is where we are tangled up. So it's unfair to blame the Mayor for that challenge that exists right now. That's all I would like to say Mr. Speaker. I think we are better than this motion.

Mr. Speaker: Thank you Councillor. Councillor Lazarenko.

Councillor Lazarenko: Thank you Mr. Speaker. I just don't understand why we are wasting our time here. I just hope that the union members of the City represented that are sitting here can see what's happening in the Council. Council is being divided now with a motion such as this. I do not, will not be supporting it. This is a personal attack on the Mayor and that's very unfair. Mr. Speaker you have been here as long as me, since 1974, the first time we were elected, we have never, I have never seen anything such as this attack on the Mayor.

My one question, what were eight members of Council doing in St. John's? You know, when I found out, I asked the Mayor, it's a good thing you are here because in case something happens, the majority, the majority are not here. So that could be asked also. Why wasn't I chastised because I was not in St. John's at the FCM convention? I have not been to one for many years. I served my time on there and I felt it was not a benefit, not as much as I thought it would be. Why weren't the Mayors of Beausejour, Steinbach, Arborg, Tuelon, Winkler, Steinbach, all the Mayors that we have in the municipalities in Manitoba, why isn't anyone asking the questions why were they not there?

We've got, Mr. Speaker, we have two-thirds of the population in Manitoba and one-third of the population is outside of the City of Winnipeg, so some could ask the same question. But we are wasting our time here Mr. Speaker. We have a delegation that appeared before us here today. We have a very important issue and this is what's happening that is going to divide Council and I am surprised that this motion even reached this far.

And I don't think that this is the direction that Councillors should be directing themselves into take cheap-shots. If the Mayor is not there, so what! Were you guys lost? All eight members of Council

were lost in St. John's because the Mayor was not there? Where is the reports from the eight members of Council that went to St. John's? At what cost? That could be asked also, Councillor Benham, at what cost?

Mr. Speaker: Direct your comments to the chair only.

Councillor Lazarenko: I am. He's got a good eye; he's got a glass of reflection onto you. So Mr. Speaker, those questions can be asked. I have never, never, you know, I believe that people should, Council members should, but if you have a majority of a number that are going, are going to a convention or any other conference, it doesn't mean to say that certain members have to be there. The Mayor is not mandated to the citizens of Winnipeg that he has to attend a convention, any convention. If he had a representative, Councillor Steeves was there on his behalf. I represented the Mayor a lot of times. Former Mayors, representing even the former Mayor Glen Murray.

And it's not, look at, I want to make this one thing clear, Mr. Speaker, it is not former Mayor Glen Murray that made us that new deal. He got on the tippie-toe; he got on the tail-end of something that was planned before he was here, before 1989. And that in itself has been worked on with the *Cuff Report*, all of us were present to start a new deal for the City of Winnipeg. We want our share of revenue from the two levels of government. We got the Province and the Federal government.

And we attend, some of us have been going to both levels of government to their conventions to no avail and I haven't seen anyone to speak, a Premier to speak while on because of the Association of Municipalities from Manitoba I was able to be, I was convinced that I'm going to be doing that. I haven't heard the Prime Minister say because the Canadian Federation of Municipalities have been so adamant on what they want for the municipalities, therefore I'm going to concede and I will do what they tell me. Each, each leader has his own way. The Mayors meet, they communicate. The Premiers meet, communicate with other Premiers. Prime Ministers meet with other Prime Ministers of the world. They communicate. This is the way the system works. But for us to be here and lambasting one particular Mayor because he was not there, oh, boy, it's the end of the world, because our Mayor was not in St. John's.

I am going today, after Council I'm going to be talking to some of my constituents, you know what happened we just about lost the City of Winnipeg. Just about lost the City of Winnipeg because the Mayor was not in St. John's with the other eight members of Council. And you know what people have asked me, what in the hell were eight members of Council doing in one convention, majority of members of Council, the majority of Council. That could be asked and that should be addressed. But you know I just can't see why we are wasting our time on a motion like this. And I am sorry to say that the mover and seconder they should have thought twice before they start putting out these personal attacks because this is not professional at all.

Mr. Speaker: Thank you Councillor. Councillor De Smedt.

Councillor De Smedt: Thank you very much Mr. Speaker and I'm sorry I do have to rise and speak about this issue and I won't be very long. I do appreciate your comments Mr. Speaker and the comments of Councillor Steeves. And I do regret that the Mayor had to stand up early on and make a reasonable case for himself on this. I don't think he really had to. Others are standing up and, not necessarily in defence of the Mayor but in defence of common sense, courtesy, etiquette to what we are supposed to do around this Council table.

You know I am embarrassed to see this kind of motion. I was embarrassed to hear the dialogue that went on. These are truly partisan grand eloquent, grandstanding comments that really have no place in this particular Council chamber. You can you make them if you

wish. So the salutary aspect of all this of course is that the press and members of the public are here watching this, and I hope they realize that we really don't spend an awful lot of time trying to throw these kind of comments back and forth at each other.

And it is too bad. There is some dignity in public service and in being in political office. I think most of us have always said we're trying to raise the standard of political office. We're somewhere near the bottom with others as the public rate us. We're trying not to say that that's true. Regrettably we have just given more support to that particular thesis.

So FCM has its merits. We all know that. It has its deficiencies. To answer Councillor Lazarenko's issue of what were people doing there, Mr. Speaker that's quite easy. Anybody that knows anything about Newfoundland you go there to get screeched. You might learn something about FCM but you'd certainly learn something about the character and the fun that one can have in a sister Province.

It is too bad we had to do this. Others can chide. I just think it is very unfortunate that we have to use this Council chamber in this particular frame. Thank you.

Mr. Speaker: Thank you Councillor. Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I was one of the Councillors who attended the FCM conference, the City of Winnipeg's rep on FCM as well. And you know the old saying somebody once told me that politics, you know politics is like junior high except bigger, and I guess I never realized it until quite today.

Let's put this in context here Mr. Speaker, why is this motion here? And I'm not saying whether it is right or wrong but why is the motion here today? Eight members of Council went and a lot of, some Councillors said it was a waste of time for eight members of Council to go. Frankly, I have been involved with other organizations where you have an annual convention. You attend the annual Convention why? Because there is useful information that comes forward, you shares ideas, you get consensus on discussion on what has to be done for the organization and you know where the country's going in the case of FCM.

I would actually encourage every member of Council to attend the annual convention. I found it extremely useful and very informative, and I brought some of those ideas back. The context of where this comes out of and it doesn't necessarily mean it's right Mr. Speaker, is when members of Council attend and all of a sudden they are reading back the pages of the newspaper back here or appearing on the radio, criticisms coming from senior level staff who refuse to be quoted. And that's unfortunate.

Because I think, but having said that Mr. Speaker, you know two wrongs don't necessarily mean a right. Right, okay? So we have these unfortunate situations where people said eight is outrageous, how can you have eight? I think actually every member of Council should attend. I think it is an excellent organization and it's doing excellent work and as a member of, as a representative, I have been proud and very happy to represent you folks and the City of Winnipeg on FCM. And I am happy to say I have been able to make some changes and have some direct input.

I sit on the Social Development Committee. I sit on the Crime and Protection Committee. On the Crime Protection Committee I have moved motions and also had adopted, now as part of policy of FCM as their planning document to push the Federal government for more funds for fighting drugs and crime with regards to the drug trade coming into the country. Also working with our rural municipalities in Manitoba, pushed the motion to address the issue of rising RCMP costs and have that part of the FCM lobby. As well as, I was the one who encouraged and brought the Richmond information forward and moved the motion to have that be part of the Convention.

As a member of the Social Development Committee, the committee now has a position, in FCM, that we are going to push for a tri-partite recreational infrastructure program across the country. Not just for recreation but also for our libraries. And I was part of that process. And also to target, as we have talked about the gas tax, but also the housing and the need for housing, I had the honour, the ability to raise it at the Social Development Committee and now it's part of the policy to target GST, and earmark GST, a portion of GST towards housing. So it's amazing what you can do actually in one year, Mr. Speaker. And it has an impact.

One of the amazing things that I was, you know, and I say this kind of tongue-in-cheek, but that I was able to stand up in a committee, a standing committee at FCM and say something there and the response, you know, that's a great idea. You know, let's incorporate that, let's, we're gong to make that part of the policy, and we're going to go forward. I was flabbergasted. I was flabbergasted, I couldn't believe it. I mean, and that this can actually work.

And a lot of discussions, some of my ideas of course, yes, we had good discussions and they necessarily didn't happen but nevertheless it's an organization that listens, that works and is achieving results. And the very fact that we do have gas tax, I mean, the reality is, actually the gas tax issue came from Manitoba. It came from, originally from Councillor or from Mayor Norrie who moved the motion back here in the early '90's, that gas tax should be dedicated to infrastructure. And so I commend the Mayor on his work with regards to this. I hope that we can get a deal, this gas tax impasse can become, could end soon. We have to in my mind ensure that gas tax goes to infrastructure.

I would like to see a portion of it. Of course I'm bias as chair of the Rapid Transit Task Force to see a portion of that off the top towards transit. I've heard there's some discussions to that effect that about 10% should be taken off the top towards transit, 10 to 15%, whatever it is. You know let's make that deal, let's get those gas tax dollars flowing now. We need them now. If we get the gas tax dollars flowing now folks we wouldn't be having to knock off six blocks off of our street list like we just did because of rising asphalt prices.

So, we need FCM. FCM is an excellent body that works well. Whether the Mayor could attend or not, I know he has a busy schedule. I would encourage him of course to attend more and if there is anything I can do to assist with that regard I would be more than happy to. But I think it's crucial that we don't lose focus on the fact that whether two members who attend FCM annual convention or three members or eight members or all 16 members of Council attend, the information that is happening across this Country, what's taking place in some municipalities is amazing. And if you and what I found is it energized me to come forward with new ideas as I have already, with regards to what's happening in this country.

And you know we don't have to reinvent the wheel. There are some municipalities out there doing some amazing things. Winnipeg is doing some great things. Let's learn from that and strengthen our municipality. That's what this organization is about. And let's, you know, I'm going to finish up because I think we should call for the question Mr. Speaker. Thank you very much.

Mr. Speaker: Along that bane I would remind that there's still quite a speakers list. I would remind people to try and speak to the motion and not that eight members went to FCM. That was not before us. Councillor Magnifico.

Councillor Magnifico: Well I raised my hand 10 Speakers ago on this one, I didn't think it would get this far.

Mr. Speaker: You are the 10th speaker.

Councillor Magnifico: Yes, thank you very much. It's the most ludicrous motion I have ever seen in my life. I couldn't tell though what Mr. Wyatt said Mr. Speaker, if he is in favour of it or not. But I just

want to mention I didn't go to that trip. Although I learned a long time ago in business, if you want to learn what's going on, visit your competitor all the time and get ideas and fresh new things to bring back to you. So it's a great idea that we all do that and go visit other cities and bring back ideas and try and implement them when they fit. So I encourage everyone to do that.

I just want to make sure I've got this right here because I may have a misprint. Does this actually say that we're going to vote for City Council urge the Mayor to attend the next convention? Is that the vote that we are going to be voting? We are going to urge him? Now will Mr. Benham suggest to set up a committee for this or maybe, you know we are going to vote to urge the Mayor. Thank you very much. That's a wonderful motion we have here.

Mr. Speaker: Thank you Councillor. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. Quick, just on the motion itself. I too find it to be somewhat offensive and won't be supporting it.

I want to speak a bit about my experience at FCM which was, and I will be brief, Mr. Speaker. I did bring back a great deal of knowledge. Mostly from the interactions that I had with other people there, whether they were from, people from the Ministers offices or other Mayors, other Councillors and not always in seminars and at the convention, sometimes outside of the convention was very valuable information.

I will say this I don't believe it to be necessary to go there every year in order to garner that information. And I think perhaps what we should be talking about around FCM is putting some controls in around how much money we spend, how many people we send and perhaps vetting that through the Secretariat Committee in order to have some control and a better understanding of what we hope to gain on attending FCM and how we can better serve Council and Councillors to better represent the interests of the City.

Mr. Speaker: Thank you Councillor Swandel. Councillor Eadie.

Councillor Eadie: Mr. Speaker I move the question be put on this fluff.

Councillor Benham: Mr. Speaker do I have an opportunity to respond?

Mr. Speaker: No. No. If the motion passes you will get five minutes to sum up.

Councillor Benham: If his motion passes?

Mr. Speaker: If it doesn't we'll hear other speakers and then you'll you get five minutes.

Councillor Benham: Okay thanks, so it doesn't supplant the sum up?

Mr. Speaker: It does not, under the, in The Procedure By-law.

Mr. Speaker: The motion is that the question be now put.

All in favour? Contrary? Motion is Carried.

Councillor Benham five minutes summing up on the motion.

Councillor Benham: Thank you very much Mr. Speaker and I regret if through the actions of Councillor Eadie, Councillor Clement didn't have an opportunity to contribute to debate because I certainly would have been interested in that as well. Mr. Speaker this motion has had things read into it that simply aren't there and with respect Mr. Speaker, I know when I speak about Councillor O'Shaughnessy's intervention it will have no effect on the Speaker.

But let's look at what the motion actually says. It simply says the City of Winnipeg is a member in good standing of the Federation. That's a fact. The Federation recently held its annual meeting. That's a fact. The City of Winnipeg has directly benefited from membership in the Federation by receiving funds negotiated by the Federation from the Federal

government. Every Councillor who has spoken has agreed on that. That's a fact.

Eight members of Council attended the meeting. That's a fact. They benefited from the opportunities to meet municipal leaders from across Canada and take part in the programs. Councillor Swandel, Councillor Wyatt, Councillor Steeves, Councillor Smith, Councillor Gerbasi, everyone who attended the meeting and has spoken has confirmed that that is exactly what happens at these meetings and what happened there.

So let's get to the Mayor was not among those eight members of Council who attended and his presence was missed. There is nothing disrespectful in that Mr. Speaker. It's a simple statement that some of the Councillors who came back said that they heard from other representatives of other cities where's your Mayor, we'd like to see him here. So that is a message that came back to us as Councillors.

And finally, be it resolved, and Councillor Magnifico did read it correctly, that City Council urge the Mayor to attend the next annual general meeting and it's laid out that it's in Montreal from June 2nd to 5th of 2006. So there's plenty of time to plan for it.

I don't see anything disrespectful in that Mr. Speaker. In fact, I think it is part of the role of the 15 members of Council who are elected to represent their wards, to ensure that the Mayor and Executive Policy Committee hear the voices of Winnipeggers on a continuing basis. Why else are we here Mr. Speaker, if that is not one of our roles, to ensure that the executive reports to the legislative branch and to ensure that the legislative branch communicates clearly to the executive branch the will of the people. That is part of our democratic system and with respect Mr. Speaker, I do not believe it is offensive or in any way, well it's obviously not out of order because we are continuing with it. But I do not believe that it is wrong in anyway Mr. Speaker, with respect to Councillor O'Shaughnessy and others who have said that, for this motion to proceed.

In fact I believe it's quite respectful. The Mayor's presence was missed. City Council urges him to attend the next meeting. I can't imagine a more respectful wording and certainly the thoughts behind it are respectful. They are that Winnipeg should be a leader. That the Mayor represents Winnipeg and therefore his attendance is valuable to the conference and to Winnipeggers and to the whole. It is not a personal attack on the Mayor at all as Councillor Lazarenko said. That is not true.

In terms of political partisanship I would simply point out as other speakers have, as other Councillors have, and as I did in my opening remarks that there was an anonymous attack, a political attack on the eight members of Council who did choose to attend and that attack suggested that they were insane. And that it was insane to spend public money going to FCM. I believe that was a very politically partisan thing to say. Mr. Speaker, I don't know who said it. But certainly in terms of partisanship that would be it.

I noticed Mr. Speaker, just very briefly in wrapping up, that the Mayor did choose to intervene in debate and of course that is welcome but he didn't say what he will do. The Mayor could have very simply ended this debate by saying thank you very much for the advice Councillors, I agree with you that FCM is valuable and therefore I have set aside that time. The Mayor has had a month's notice of this motion in order to get it into his book but the Mayor chose not to do that Mr. Speaker. The Mayor has not told us whether he intends to go to the next meeting or not. Perhaps he will. Perhaps he won't.

But I think it's certainly not beyond the role of this Council and all Councillors here to simply say it would be a good thing to go and we'd like to see you do it and your colleagues in the FCM would like to see you there. That is not disrespectful Mr. Speaker that is very respectful of the Mayor; of his role on this Council and of the potentially very valuable role he could play in the national debate on cities. Thank you Mr. Speaker.

Mr. Speaker: Thank you Councillor. Question on the motion. A recorded vote has been asked for. All those in favour of the notice of motion please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Benham, Gerbasi, Smith.

Nays

His Worship Mayor Katz, Councillors Eadie, Lazarenko, Clement, De Smedt, Lubosch, Magnifico, Pagtakhan, Steeves, Swandel, Wyatt, Mr. Speaker Councillor O'Shaughnessy.

City Clerk: The vote Mr. Speaker, Yeas 3, Nays 12.

Mr. Speaker: The motion is defeated.

Mr. Speaker: We could get through hopefully EPC Motions.

EXECUTIVE POLICY COMMITTEE MOTIONS

Motion No. 2
Moved by Councillor Lazarenko,
Seconded by Councillor Smith,

WHEREAS, on October 29, 1997, Council adopted Clause 1 of the Report of the Executive Policy Committee dated October 24, 1997, regarding the George B. Cuff – Organizational Review and Performance Assessment Report dated October 22, 1997, as amended, and passed; By-law No. 7100/97, a by-law of the City of Winnipeg to establish the governance and administrative structure of the City and to delegate certain powers and responsibilities from City Council to Executive Policy Committee, the Standing Committees and the Chief Administrative Officer;

AND WHEREAS, since that time, now under the third Mayor in the eight intervening years, City government and administration have changed considerably;

THEREFORE BE IT RESOLVED that Council review the current governance and administrative structure in comparison with that adopted in October 1997.

Required to stand as Notice of Motion in accordance with Rule 17.1 of the Procedure By-law

Mr. Speaker: Motion 1 would be automatic referral. Motion number 2 I'm sorry, is automatic referral. Calling notice on it. Okay, we'll stand as notice.

Motion No. 6
Moved by Councillor De Smedt,
Seconded by Councillor O'Shaughnessy

WHEREAS The Standing Policy Committee on Protection and Community Services is scheduled to act as the Appeal Committee from August 1, 2005 to October 31, 2005;

AND WHEREAS three of the four members of The Standing Policy Committee on Protection and Community Services sit on and comprise the City Centre Community Committee;

AND WHEREAS an appeal has been received against City Centre Community Committee Variance Order DAV 120642/2005D, affecting 710 Warsaw Avenue, and this appeal would normally be heard by the Appeal Committee in September of 2005;

AND WHEREAS Section 56.2.1 of The City of Winnipeg Procedure By-law no. 5400/90 states that: "No member of a Community Committee shall be in or remain in the room in which an appeal from a decision of that Community Committee on an application for approval of a variance, conditional use, or license is being held by a Committee of Council.";

AND WHEREAS due to Appeal Committee therefore lacking quorum, this appeal, which is time sensitive, would not be heard until November 2005;.

THEREFORE BE IT RESOLVED that the Standing Policy Committee on Property and Development act as the Appeal Committee to hear this appeal.

Mr. Speaker: Motion number 6.

All in favour? Contrary? Carried.

Motion No. 7
Moved by Councillor Wyatt,
Seconded by Councillor Swandel,

WHEREAS Council at its meeting of July 27, 2005 defeated Item 4 of the report of the Executive Policy Committee dated July 20, 2005,

THEREFORE BE IT RESOLVED that the cost to construct a 5 (five) foot concrete walk on Bournais Drive from Dugald Road to Hatcher Drive, in the amount of $24,319.60, be allocated from the East Kildonan-Transcona Land Dedication Reserve.

AND BE IT FURTHER RESOLVED that the criteria of the Council Policy for the Land Dedication Reserve Fund be waived for any expenditures which do not qualify.

AND BE IT FURTHER RESOLVED that the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Mr. Speaker: Motion 7, Councillor Wyatt's motion.

All in favour? Contrary? Carried.

It is now 12:00 o'clock. We are adjourned till 1:30.

Mr. Speaker: Do we have a quorum Mr. Clerk?

Reconvene the meeting of Winnipeg City Council July 27th, 2005. Moving on to By-laws for first reading only. Your Worship.

EXECUTIVE POLICY COMMITTEE CONSIDERATON OF BY-LAWS

Mayor Katz: Thank you Mr. Speaker. I would move that By-law No. 131/2005 be read a first time.

Mr. Speaker: All in favour? Contrary? Carried.

By-laws for third reading only. Your Worship.

Mayor Katz: I would move that By-law No. 46/2005 be read a third time and that same be passed and ordered to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.

Councillor Clement moves that the rules of decorum be suspended and gentlemen to be allowed to remove their jackets.

All in favour? Contrary? Carried.

Something to 2:00 p.m.

Mr. Mayor Consideration of By-laws.

Mayor Katz: I would move that the following By-laws be read a first time. By-law No. 143/2005, By-law No. 144/2005.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 143/2005, 144/2005.

Mr. Speaker: Mr. Mayor.

Mayor Katz: I would move that By-laws No. 143/2005 and 144/2005 be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 143/2005 and 144/2005.

Mayor Katz: Mr. Speaker I move that the rule be suspended and By-law Nos. 143/2005 and 144/2005 be read a third

time and that same be passed and ordered to be signed and sealed.
Mr. Speaker: All in favour? Contrary? Carried.

EXECUTIVE POLICY COMMITTEE
QUESTION PERIOD

Mr. Speaker: Question Period. Councillor Gerbasi, Councillor Magnifico, Councillor Benham. Anyone else?

Okay. Councillor Magnifico, Gerbasi, Benham and Swandel. Councillor Magnifico.

Councillor Magnifico: Mr. Speaker, I would like the Mayor if he could to tell me and us at the Council here why when someone runs for office, either Mayor or Councillor they are supposed to submit audited statements by a certain date and there is supposed to be up to a $5,000 fine for not doing so. And apparently no one has ever been fined. And even the last election, there are a couple of examples of people that didn't submit these audited statements. Could you tell us is this if going to be changed or not?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Thank you Councillor Magnifico. First of all I can certainly tell you that I very much concur with the question. It's very valid. I think it's a very serious issue. And I can also tell you that at Executive Policy Committee a motion was moved to review this matter. And I can certainly tell you that as the Mayor I would certainly support any motion that basically involves everybody abiding by the rules and regulations.

Mr. Speaker: Thank you Mr. Mayor. Supplemental Councillor Magnifico.

Councillor Magnifico: Mr. Speaker is it necessary that a motion has to be passed for something like this or can this by-law or rule just be upheld and the people fined as necessary?

Mr. Speaker: Thank you. Mr. Mayor.

Mayor Katz: I'm not a 100% sure of the answer to that. I know that we do have rules that are in place. I know that in the past for whatever reasons actions have not been taken because I know that there are candidates who have run, who have not filed reports, and there was no actions for their inactions. That is something Councillor Magnifico that I would be very happy to look into and to get back to you on.

Mr. Speaker: Thank you Mr. Mayor. Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. I hope Councillors in this chamber don't mind me asking a few questions. They seem to be a little bit offended by democratic debate earlier this morning and appropriate process so I hope they can have a thick enough skin to handle my questions today.

Mr. Speaker: Order please.

Councillor Gerbasi: I asked the Mayor at the last meeting Mr. Speaker to give us an update on the negotiations with the Humane Society. We are now down to the wire as Council is proroguing after today more or less and the Humane Society has said they will stop taking trapped cats as of September 1st if Council does not respond to their concerns about the high number of cats that have been euthanized. My question is what does the Mayor intend to do about this?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Mr. Speaker just a small clarification. Number one I very much enjoy questions from all from all Councillors including Councillor Jenny Gerbasi and as well as I do have a very thick skin so no need to worry whatsoever about me.

In addition to that I can tell you that I actually called the President of the Humane Society beginning of this week. Unfortunately he was not in his office, he returned my phone call, I was not in my office. We have been playing telephone

tag. I can assure Councillor Gerbasi that we will be talking before the week is over and reviewing some of the items that Councillor Gerbasi just referenced.

Mr. Speaker: Thank you. Supplemental Councillor Gerbasi.

Councillor Gerbasi: Mr. Mayor since, as you are aware there won't be any time to bring any deal or negotiation or items before Council until September so their date…

Mr. Speaker: No preamble please.

Councillor Gerbasi: Is there anything you can do before September when they will stop taking the cats?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Well first of all I understand the statement in reference to before September, but I can tell you that the last meeting that I had with representatives from the Humane Society was a very positive one. I believe that we've made progress and I believe I'd like to sit down with them and have another conversation which although we may be entering prorogue, I can certainly assure Councillor Gerbasi that I will be here and we will continue to have meetings and have positive dialogue and hopefully find a resolve.

Mr. Speaker: Thank you Mr. Mayor. Final Supplemental.

Councillor Gerbasi: My last question is would the Mayor please update Council about the status of the negotiations with Minister Godfrey on the gas tax money that we are waiting for a deal to flow to Manitoba. Thank you.

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Thank you Councillor Gerbasi. As most Councillors probably are aware of, I did have a meeting with the Minister in Ottawa, not too long ago. It was a, what I would refer to as a very positive meeting. They certainly told me their thoughts and what their goals and objectives were. I certainly told them the needs of our City. That in every poll and every survey that's taken place, infrastructure, roads and streets and bridges are the number one priority.

They are also very much aware of the fact as I am sure that many City Councillors are that during the meetings at the FCM a motion was approved basically saying that cities under 500,000 people should be able to qualify to use gas tax monies for infrastructure repairs. We have agreed to continue working and our staff is working with their staff. I would say there was communication as recently as Monday.

Unfortunately things do not move as quickly during the summer as you would like. But I believe and I am hopeful that we will see a positive movement before the end of September.

Mr. Speaker: Thank you Mr. Mayor. Councillor Benham.

Councillor Benham: Thank you Mr. Speaker and a question through you to the Mayor. Does the Mayor support the Mosquito Control Policy passed by Council at its March meeting?

Mr. Speaker: Mr. Mayor.

Mayor Katz: I would have to answer that by saying that the Mayor and all of Council support the policy because that policy was unanimously approved on this floor of Council.

Mr. Speaker: Thank you Mr. Mayor. Supplemental Councillor Benham.

Councillor Benham: Thank you Mr. Speaker and thank the Mayor for the answer. Does the Mayor believe that the City's policy regarding nuisance mosquitoes was followed this year up until the time the Province issued a public health order regarding mosquitoes which may carry West Nile Virus?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Mr. Speaker I believe the policy was followed. There certainly were some concerns from many Councillors that they may have waited too long as far as fogging for nuisance mosquitoes. A decision was made and that's the end of that. Does that mean that we have the opportunity down the road to review our policy? Of course we do. But at this stage of the game I do believe the policy was followed.

Mr. Speaker: Thank you. Final Supplemental.

Councillor Benham: Yes it is and I thank the Mayor for his answer because it does lead directly to my third question. Does the Mayor believe the implementation of the policy, the communication strategy around it and the subsequent involvement of Councillors as he has just referred to, the subsequent involvement of Councillors in overt political pressure to fog with Malathion regardless of the policy, does he believe that those factors should be reviewed at a special meeting of the Standing Policy Committee on Protection and Community Services?

Mr. Speaker: Thank you. Mr. Mayor.

Mayor Katz: It's very difficult for me to comment on part of that question since I am not aware of every single Councillor who may have had input or phone calls to the department. What I can tell you is that as far as the communication is concerned I was extremely disappointed in the communication that existed between the department and the public and Councillors. I think there is significant room for improvements. I think the words I used was that it was a communication disaster.

Mr. Speaker: Thank you Mr. Mayor. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. Through you to the Mayor I'd like to discuss a little further an item that I raised under the Disaster Financial Assistance motion that was put forward today. In light of recent events, especially in the St. Norbert ward, it's quite apparent that summertime river levels and summertime rain events are proving to be disastrous to the City of Winnipeg and our system is really designed in most cases to serve spring run-off and spring river levels. What if anything can the Mayor do to help address this problem and get it on the forefront so people can feel safe putting stuff back in their basements and in their homes in the City of Winnipeg?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Thank you Councillor Swandel. Let me just share a story with the Councillor and everybody else here. It was I believe it was July 1. It was Canada Day as a matter of fact when I remember the night before that the flooding was very apparent. Emergency Services were out there making sandbags and sandbagging. Friday morning, the holiday, I spent about two to three hours out on Scotia Avenue talking to the residents and actually looking at what was going on there and getting some feedback from the residents of Scotia Avenue.

Later on that day, late afternoon, I attended at the zoo during Canada Day with my family. My cell phone rang and it was the Prime Minister calling. He had heard about potential flooding and the flooding. He called to express his concerns and the conversation ended this way – "Sam if there is anything I can do just call me."

Since that conversation I can tell you that I have spoken to the Mayor of Brandon, Mayor Burgess, who has communicated I believe with Deloraine as well, and Winnipeg is not the only community that is having serious problems with sewer flooding in our basements.

My understanding is that the Federal government is part of the process if you want to basically look at the scenario between overland flooding and sewer back-up. And I can tell you that this Friday the Prime Minister will be in town. Myself and Mayor Burgess along with the Prime Minister will be attending a function and I can tell you that Mayor Burgess and myself will be discussing overland

flooding and sewer back-up with the Prime Minister.

Mr. Speaker: Thank you Mr. Mayor. Supplemental Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. Thank you Mr. Mayor. Will the Mayor consider having conversations with the Province of Manitoba to look at the tight timelines that we have as a result of the Clean Environment Commission hearings, recommendations around the recent spill in the Red River to lengthen those timelines to free up some dollars that would allow us to make some improvements in the City of Winnipeg to address some of the power failure issues that we had and some of the communications issues that we had within the system just in the most recent event?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Councillor Swandel that is something that I would be happy to look into and get some response to you on and will report to you the dialogue between myself and the Premier. I have no hesitation whatsoever of raising those issues.

Mr. Speaker: Thank you. Final Supplemental Councillor Swandel.

Councillor Swandel: Can the Mayor provide us with a general timeline as to when we might have some feedback on that specific request?

Mr. Speaker: Thank you. Mr. Mayor.

Mayor Katz: I know that I was talking to the Premier yesterday. He is dealing with a major issue right now. As a matter of fact he told me he may be leaving town. We have a meeting set up in August. If I can bring it up before then I would be happy to. If not I'm sure we can bring it up during our August meeting.

Mr. Speaker: Thank you Mr. Mayor. No further questions? Does anyone wish to...oh Councillor, shame on you. Councillor Wyatt.

Councillor Wyatt: It's almost the summer break so, my question through you Mr. Speaker to the Mayor. On the issue of the gas tax impasse that we have right now. The fact Winnipeg has fallen through the crack or this $500,000 dollar rule with regards to, or 500,000 population rule with regards to cities with 500,000 or more not being able to put money directly into roads and bridges, having to put money into green projects.

My question is, Mr. Mayor is, we have in the past, not this Council but previously to the last election, we've taken monies collected for example for sewer and water, the sewer and water rates and taken those monies and put them into residential streets. And that was done before about three or four years ago before the last election. And clearly that sewer and water is eligible under the Federal program the monies coming forward. Has that been contemplated with regards to this? Have you discussed this with the Federal government so that much like what is done with regards to the recreation program monies going into sewer and water could then from the Federal government those monies that we collect from taxpayers could simply go right over to roads and bridges and therefore end this impasse and get those gas tax dollars flowing out. Has that been discussed? Is that being contemplated, and if not why not?

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Thank you Councillor Wyatt. Mr. Speaker I can assure Councillor Wyatt that one that issue has been addressed. The administration has made us aware of that as well. In my meetings with the Minister, he is very cognizant of that as well, but we made it very clear that we want this to be a very transparent resolution. We don’t want to find a way around it. Although the way around it does comply with the policy in effect right now. And that's why I believe we will be able to find a resolution that is transparent, that fits what the Federal government, their policy, as well as addresses the needs of the citizens of Winnipeg.

Mr. Speaker: Thank you Mr. Mayor. Supplemental Councillor Wyatt.

Councillor Wyatt: Yes, my question would be if that is the case and it can be done and it can be very clear and transparent as long as we make it clear and transparent, why don't we do it? Why don't we do it now so that we can get those gas tax dollars flowing now? If it can be done and it sounds like it can be.

Mr. Speaker: Thank you. Mr. Mayor.

Mayor Katz: Number one let's just come to an understanding that if you make a decision today the monies do not flow tomorrow. Okay that's number one. The time table is totally set by the Federal government.

Number two as I said earlier that is one possible way to accomplish a goal whether you want to call it an end-run whatever the case maybe but I think it is important for the Federal Government to know the needs of Winnipeg.

Unfortunately, someone came up with a policy number of 500,000 people as was mentioned earlier. I think by Councillor Steeves. There may be two cities in all of Canada that fall into that. Even the AMM has found it very strange and supports the City saying that if you can fix roads and bridges outside the perimeter you should certainly be able to fix them inside of the perimeter. So right now we are working in a very cooperative manner and I think the timetable will probably end up being the exact same as far as monies flowing. Thank you.

Mr. Speaker: Thank you Mr. Mayor. Final Supplemental.

Councillor Wyatt: Thank you Mr. Mayor for the response. With regards to AMM, the Mayor's position has been 25% off the top for Transit and transit improvements, a gas tax from my understanding the AMM position per capita….

Mr. Speaker: No preamble please.

Councillor Wyatt: How close are we getting for a percentage off the top towards Transit and transit improvements from the gas tax Mr. Mayor?

Mr. Speaker: Thank you. Mr. Mayor.

Mayor Katz: The last position that we discussed is that we were between 10% and 15% and that's where it sits. And as I think Councillor Wyatt mentioned earlier from the gas tax there is 10% that will be dedicated to Transit and as most people here would obviously know that the City of Winnipeg has the majority of the transit so we get the majority of the funds.

From my point of view after looking at the numbers, we can live with 10%; we can live with 15%. The key thing is that we get the opportunity to fix our infrastructure with the gas tax money. And that's where things are at right now. And I believe that with the correspondence that's taking place between the City and the AMM we are working together to basically get this job done and we have a very good working relationship right now.

Mr. Speaker: Thank you Mr. Mayor.

Moving on, the Standing Policy Committee on Protection and Community Services, report of July 11th, Councillor Steeves.

REPORT OF THE STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES DATED JULY 11, 2005

Councillor Steeves: Thank you Mr. Speaker. Regarding the report of July 11th, 2005 I will introduce the report and move the adoption of Consent agenda items 1 and 2.

Mr. Speaker: All in favour? Contrary? Carried.

Motions.

**STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES
MOTIONS**

Motion No. 3
Moved by Councillor Lazarenko
Seconded by Councillor Pagtakhan

WHEREAS, on March 23, 2005, Council adopted Item 1 of the Report of the Standing Policy Committee on Protection and Community Services dated March 11, 2005, Insect Control Strategy;

AND WHEREAS, on July 14, 2005, the provincial Health Minister signed a public health order under the Environment Act to begin spraying for adult mosquitoes with malathion in the City of Winnipeg because of the high numbers of adult Culex tarsalis mosquitoes and evidence of infection with West Nile virus;

THEREFORE BE IT RESOLVED that Council request City Administration to provide the answers to the following questions:

1) *Who gave the directive not to release the mosquito trap counts?*

2) *Who decided not to take immediate action to fog when trap counts exceeded an average of 25 mosquitoes on three consecutive nights and why?*

3) *Why were the trap counts for West Kildonan not released when the counts rose on June 13 from 43 to the highest count of 512 on June 27?*

4) *Who decided not to take action in West Kildonan and why?*

Automatic Referral to the Standing Policy Committee on Protection and Community Services in accordance with Rule 16.1 of the Procedure By-law

Mr. Speaker: Motion number 3, should be automatic referral, I would rule. Item 4, move, would be, I'm sorry, item 5.

Point of Order

Councillor Steeves: I don't know, Mr. Speaker, just on a point of order, if it makes things easier for you, regarding item number 3, I could take this as a question and directly refer it to administration for response.

Mr. Speaker: It's not a question, it's a motion to determine a position of the Council of the City of Winnipeg and I don't think it could be adequately done on the fly.

Councillor Steeves: I was just trying to help you Mr. Speaker.

Mr. Speaker: I move automatic referral.

Councillor Steeves: Let me help you.

Mr. Speaker: Thank you.

Motion No. 5
Moved by Councillor Benham
Seconded by Councillor Gerbasi

WHEREAS City Council on October 27, 2004, approved a motion from the Standing Policy Committee on Protection and Community Services regarding the City's policy on Insect Control;

AND WHEREAS the motion requested the Winnipeg public service to report on the relative costs and effectiveness of Malathion as a means of controlling adult mosquitoes;

AND WHEREAS the subsequent report outlined a new policy regarding mosquito control, but did not review any of the scientific literature regarding Malathion;

AND WHEREAS City Council endorsed the Blueprint for Action on mosquito control in April, 2003, which called for a Blue-Ribbon Panel of Experts to "provide advice relative to the most effective and environmentally sensitive mosquito control methods;"

AND WHEREAS that panel was not established;

AND WHEREAS the Canadian Association of Physicians for the Environment has called Malathion "a dangerous nerve poison" linked to nerve, kidney and lung damage and childhood leukemia, and called for the City of Winnipeg to halt its use;

THEREFORE BE IT RESOLVED that City Council establish a Blue-Ribbon Panel of Experts to review the scientific literature and report on the safety, efficacy, costs and benefits of Malathion for mosquito adulticiding in the Winnipeg context;

AND BE IT FURTHER RESOLVED that the panel shall consist of:

1. The City of Winnipeg entomologist

2. A senior administrator from the Community Services Department;

3. A chairperson who is not employed by the City of Winnipeg;

AND BE IT FURTHER RESOLVED that the following organizations be invited to nominate one representative each to the panel:

1. The Province of Manitoba

2. The University of Manitoba

3. The University of Winnipeg

4. The Manitoba Eco-Network

AND BE IT FURTHER RESOLVED that the panel shall report its preliminary findings, based on the scientific literature, to Council before December 31, 2005;

AND BE IT FURTHER RESOLVED that the panel shall then hold public hearings on its findings with at least one public hearing to be held in each of the community committee areas before March 31, 2006;

AND BE IT FURTHER RESOLVED that the panel shall then make a final report to Council before April 30, 2006.

Automatic Referral to the Standing Policy Committee on Protection and Community Services in accordance with Rule 16.1 of the Procedure By-law

Mr. Speaker: Number 5, automatic referral. Councillor Benham and Councillor Gerbasi as well, automatic referral to the Standing Policy Committee.

By-laws none. Questions? Councillor Benham, Councillor Smith, Councillor Wyatt. Councillor Benham.

STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES
QUESTION PERIOD

Councillor Benham: Thank you Mr. Speaker and through you to the chairperson of the Standing Policy Committee on Protection and Community Services. Mr. Speaker the, all members of the Committee except for the chairperson voted more than a month ago to request the chairperson to call a special meeting of the Committee to discuss the City's Insect Control Policy and how it was being implemented and the communications strategy around it. The chairperson has chosen not to answer that question so far that request from the Committee, nor did he answer it on the floor of Council at the last meeting.

And so in light of the request from all members of the Committee, the Mayor's statements today which I remind the chairperson include that there was a communications disaster and acknowledging that some Councillors asked for the fogging of Malathion contrary to policy. Given those facts Mr. Speaker will the chairperson call a special meeting of the Standing Policy Committee on Protection and Community Services to discuss the Mosquito Control Policy?

Mr. Speaker: Thank you. Councillor Steeves.

Councillor Steeves: Thank you for the question. I am not sure I understand where this is coming from or why. I mean there is this will to have this special meeting to discuss the mosquito policy and the request came a matter of days frankly after we just passed the policy. So we had the discussion around the policy at Standing Committee and then at EPC and then at Council. All was passed. Everyone was in agreement. All the discussion happened. And then we wanted to have a special meeting to discuss what we had just discussed. It didn't make any sense to me. It just didn't make any sense to me at all.

I know the request existed and the concern that I had was to simply reopen discussion on the policy that we just passed. In the midst of what was a pretty difficult situation in terms of mosquitoes I think would have placed everybody in a bit of an awkward position. My inclination frankly Mr. Speaker, was to allow the policy that we had just passed to try and work, to try and be implemented.

I mean the problems that we had vis-à-vis mosquitoes, I mean granted we're, I mean, I guess depend upon where you sat pretty severe and we did have some of the highest trap counts in the history of the City of Winnipeg. I don't know what utility there necessarily would have been to open up the discussion as to our policy at that particular moment. Indeed they were going on all over the place.

Now I mean I could be wrong but we had just gone through a process, where everybody had a chance to discuss it, and the policy was in place and our administration was working at it. Now I discussed the matter with administration and administration stated as far as they were concerned there was no need for a special meeting. After the request was made for the special meeting there was an abundance of information that was circulated to all members of Council as to the indexing that we were doing, why we were doing what we were doing, why we were making the decisions that we were making.

I thought that information was adequate. I thought that the information made sense. And with respect to the idea of communication I understand it was a difficult time. Personally while we were going through that and while the mosquito counts were getting as high as they were getting, there might have been some communication problems and I think there could have been some breakdown frankly in terms of the announcements of going to some areas of the City first. I think that raised the rankles of a lot of people.

But at that stage I don't think people were in the mood to hear anything other than the idea that we were actually starting to fog. I don't think they wanted to hear a lot of discussion on the policy and all that stuff at that time. That decision was made. The Province was doing their thing with respect to the protection order and all of those decisions that are within their jurisdiction.

In the circumstances I actually thought our administration did a reasonable job of trying to stick to the policy in very, very difficult circumstances. Regardless of how you might feel about fogging or not fogging, this has been a difficult year for mosquitoes. We are now I think approaching around twice the normal rainfall for Winnipeg for the summer season and incredibly within the scope of that rainfall we have seen an incredible amount of heat as well. And I have to confess to being at least a lay-person when it comes to the research, I am not formally trained in it but I think we've all lived in this City long enough to know that that does create perfect conditions for mosquito breeding. It's been a very, very difficult year.

Now I know Councillor Benham is going to state and I understand that his position is perhaps that we could of at that time gone out and talked to people about why we shouldn't spray or why it's not a good idea to spray. You know that may have been his idea and maybe he could have convinced people. I doubt it to be honest with you. So I guess what I did Mr.

Speaker is I exercised my right as chair of this Standing Committee to not call a special meeting and allow our administration, our new Entomologist, time to try to implement the new policy. I mean like I say it's a matter of opinion. I could have been right or I could have been wrong, but it is a decision that I made and I stand behind the decision.

Mr. Speaker: Thank you Councillor. Supplemental Councillor Benham.

Councillor Benham: Thank you Mr. Speaker and I thank Councillor Steeves for not only holding the meeting and now dominating the meeting and now giving us an opportunity to say exactly what he wants to say but without an opportunity for…

Mr. Speaker: Questions please, questions.

Councillor Benham: the Committee to look into it to say and why, thank you Mr. Speaker, how long has it been since the Committee first discussed this Insect Control Policy? It was subsequently passed by Council compared to today's date. Councillor Steeves said that we had just finished discussing the policy.

Mr. Speaker: Thank you Councillor your question, no preamble.

Councillor Benham: What is the time lapse?

Mr. Speaker: Councillor Steeves.

Councillor Steeves: Is he asking when the, is he asking the date of the last Council meeting? I'm not sure I understand the question.

Councillor Benham: Am I allowed to clarify the question Mr. Speaker?

Mr. Speaker: Yeah, within very strict limits you can clarify it.

Councillor Benham: Thank you Mr. Speaker, I'm sorry if I wasn't clear. The chairperson on Standing Policy Committee on Protection and Community Services said that a special meeting would have followed immediately. We would have been discussing something we had just discussed. My question is when did we last discuss it and how much time has elapsed between today and that date?

Mr. Speaker: Councillor Steeves.

Councillor Steeves: I'll find out and give the exact dates Mr. Speaker.

Mr. Speaker: Thank you Councillor. Final Supplemental Councillor Benham.

Councillor Benham: Mr. Speaker final supplementary. The answer is March and why would the chairperson not want to discuss something that has not been discussed for three full months while the circumstances have changed as even the Mayor has acknowledged.

Mr. Speaker: Thank you Councillor. Councillor Steeves.

Councillor Steeves: I'm not exactly sure what Councillor Benham means when he says the circumstances have changed.

Councillor Benham: Well the date has changed.

Mr. Speaker: We now have mosquitoes when we didn't have any in March. That is what he is saying.

Councillor Steeves: Okay, I guess that makes sense if we were to pass, if we were to pass the policy and say I know it was passed in the spring but I suppose if it was passed in the wintertime and then there was no mosquitoes then we can say, we can use the fact that now its springtime those have changed circumstances. I have a tough time even sort of responding to that question seriously but I'll try my best I suppose.

The, it's a very simple issue here. We passed the policy. We all, we passed the policy and it wasn't a policy that was done lightly. It was a policy that was looked at very, very seriously by our administration, and by our new Entomologist. And it talked about Malathion, it talked about B.T.I., it talked about Methoprene, it talked about everything with the, it talked

about dragonflies and minnows. It talked about every single thing that is involved in this massive debate regarding mosquitoes. There was in my opinion absolutely no need for a special meeting. There was no need for a special meeting.

My concern frankly and I was hoping to not have to say this but my concern was that this special meeting might be used as an opportunity by some people to grandstand and say while we shouldn't be fogging and that we would be drawn right back into this huge morass and this huge debate that in my opinion would serve no purpose. Would serve absolutely no purpose other than to give certain select people the chance to get up on their soap box and lecture people about differing points of view and create all sorts of division in the community.

Mr. Speaker this, people in this chamber we have to learn once we pass a policy, we have to learn to develop the gumption to stick to things. You have to stick to things to see if they will work. It can't be a matter of every time we get a little bit scared, every time we get a little bit shaky, every time something bad happens that we are not too comfortable with that we run off and have a special meeting expecting that to cure things. Because my experience has been that it doesn't work that way. It just simply does not work that way.

Why don't we do this? Why don't we wait until September once the season is come and gone, we can reflect on what worked, we can reflect on what didn't work. But I mean what am I supposed to say? If Councillor Benham wants a special meeting because he doesn't think it is working what if Councillor Wyatt wants one the next day because he doesn't think it's working and then Councillor Smith, bless his little soul, wants a special meeting as well the next day because he doesn't think it's working. I can't call a special meeting Mr. Speaker every time someone gets a case of the yips.

Mr. Speaker: Thank you Councillor. For the record Councillor Smith is a very large and wonderful soul, and it's his turn to ask questions of you.

Councillor Smith: Mr. Speaker to the chairperson, Health Canada issues advice that after fogging that play structures should be washed down. How come we are ignoring that advice?

Mr. Speaker: Thank you Councillor. Councillor Steeves.

Councillor Steeves: You know I don't know enough about the directive issue from Health Canada and what chemicals and what it involves. I would have to look into that a little bit further. If in fact there is that directive coming down with respect to a chemical that we are in fact using and if in fact we are spraying these play structures and they are not being wiped down and we are categorically being told by the Federal Government, who's job it is to regulate these chemicals, that that's not being done that's a legitimate concern and we should be looking into that.

Mr. Speaker: Thank you. Thank you Councillor Smith. Councillor Wyatt.

Councillor Wyatt: Yes Mr. Speaker. We just had the other day the news of the statistics, the crime statistics across the country and Winnipeg came out at the top of the list. Nothing to be excited about for some of the highest crime statistics in the country, if not the highest in some categories.

And we know that there is a way to do things differently. We know that we have to start addressing some very serious issues that are taking place in the City with regards to the amount of drugs coming in, the amount of crystal meth being manufactured, the amount of cocaine coming into the City.

Mr. Speaker: That's enough preamble.

Councillor Wyatt: The concern is what is the strategy to start dealing with this and what sort of discussions do you see that you can spearhead working with Council, and I am prepared to work with you Councillor, to see us start to address these concerns and to come up with a long-term strategy to begin to solve these problems?

Mr. Speaker: Thank you Councillor Wyatt. Councillor Steeves.

Councillor Steeves: Fair enough question. I mean there was the statistics that came out and yes it's true that Winnipeg did rank high in some of the areas. This has traditionally been a problem in our City for whatever reason. I mean the theories as to why that is, is as diverse as the problem itself I suppose.

I guess you saw the annual report that is listed, that was listed, it was sent out by the Police. It came out in just the last couple of weeks and there are numerable programs specifically targeted at things like grow operations, things that we are trying to do to tackle various problems in various different areas. And really we look at the statistics within our City and how the different categories are increasing or not increasing and really overall I think crime in the various areas was up about 3%. Now of course there are jumps in certain areas. Murders happen to be way up. Auto thefts happen to be way, way up. Those types of things. There was certain areas where things were taking spikes. There are also areas where things are coming down.

Now why exactly is that is probably anyone's guess, and to be perfectly honest there probably is no great science that can tell you exactly what it is. But if we are looking at things that we might want to specifically target there are ways we can do it. If Councillor Wyatt is interested in helping and I am encouraged that he is, we can look at things like auto theft, those types of things. Now personally and this is a personal opinion, not representative of anybody else, we should be attacking those problems through such thing as manufacture guidelines, preferential insurance rates, all of those types of things that can make cars harder to steal.

Also, without, I don't want to come across as sounding like a hanging judge because that really isn't me, but at the same time sometimes I feel like we are maybe being a touch too lenient at the sentencing level with young people seemingly who are getting involved in this type of behaviour. Those are problems as well.

We are trying to address those issues and they are problems in the City of Winnipeg that require ongoing support and ongoing correction. I can say that we are not the only city that is going through these challenges. Every single city is seeing the spikes in exactly the same areas probably that we are as well. In fact we are not seeing some of the problems that are existing in other cities that may wind up falling onto our lap as well.

To answer the question simply I suppose is could the Police use more resources? Absolutely, absolutely they could. The time may well come Mr. Speaker when I am speaking to this chamber and this Council about finding more funding and more revenue for our Police department so we can support them, get more people involved and allow them to do their job a little bit more fully. I know how difficult that is. We are all going to know how difficult a task that all is going to be to find the money within our Operating Budget to do exactly that. But if we want to do those sorts of things those are the realities we are going to have to face.

Mr. Speaker: Thank you. Supplemental Councillor Wyatt.

Councillor Wyatt: Yes, the RCMP and for example in other municipalities supply their citizens with a five year plan. What is our five year plan? Can we get a copy of it? Does it exist? Do we have a five year business plan for policing in this City?

Mr. Speaker: Councillor Steeves.

Councillor Steeves: I don't think we have exactly that but what I can do is I can give Councillor Wyatt copies of all the planning including the document that he sees on his desk right now. He obviously has that. We do extensive planning. We try to get out in front of every single problem that exists. Very, very difficult job not only for the Winnipeg Police Service but for every police service right across this Country. Personally I think

this is a safe City. They are doing a good job.

Mr. Speaker: Thank you. Time for questions is expired.

Moving on to the Standing Policy Committee on Public Works, report of July 12th, Councillor Eadie.

REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS DATED JULY 12, 2005

Councillor Eadie: Thank you Mr. Speaker. I'll move that the report of Public Works of July 12th be received and that clauses 1 through 4 be adopted by Consent.

Mr. Speaker: All in favour? Contrary? Carried.

Motions none. By-laws none. Questions of the chair of Public Works. Councillor Swandel.

STANDING POLICY COMMITTEE ON PUBLIC WORKS QUESTION PERIOD

Councillor Swandel: Thank you Mr. Speaker. Councillor Eadie you heard my question to the Mayor regarding the problems that we have with our sewer system and some of our flood protections by design being built for spring events. We are seeing a huge increase in summertime events, high water levels more frequently in years.

Would you be kind enough to ask the administration to report to our Committee, the Water and Waste administration, recommendations as to what improvements that could be made to the system to address what appears to be something that we will have to deal with on an ongoing basis? It's coming with more frequency and to put a dollar figure to it so that we would know that if we were advocating with other levels of government for, that those protections be put in place. What in particular would we be advocating for dollar wise?

Mr. Speaker: Thank you Councillor. Councillor Eadie.

Councillor Eadie: Mr. Speaker I am sure that we can initiate that discussion with the Water and Waste administration following the, probably the next meeting of the Committee following the summer recess and carry it forward from there, see what they report back.

Mr. Speaker: Thank you. Supplemental Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker and Mr. Chairman. Further to that I would also ask that the administration be requested to provide from the Forestry department a report on what impact if any the backlog of the tree pruning…

Mr. Speaker: The question is?

Councillor Swandel: What impact the backlog in tree pruning had on the damage to trees and the subsequent cost of cleaning that up?

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Yes we can raise that Mr. Speaker. I think a report will be directed by the Committee asked for and come back so that we have that information.

Mr. Speaker: Thank you. Councillor Smith.

Councillor Smith: Yes. Councillor Eadie, my question I asked before, not of you but of the former chairperson of that Committee, I asked why when we buy buses are we disconnecting the air conditioning system. I think it would be very useful with hot days that we have to have a few days of air conditioning with the buses.

Mr. Speaker: Thank you Councillor Smith. Councillor Eadie.

Councillor Eadie: Mr. Speaker I'd have to check with the administration of Transit to be absolutely sure of my answer but it seems to me that tender packages that

go out do not include air conditioning in buses. It's been some debate around here for some time on that, but I don't believe the tender requirements call for air conditioning on our buses. But I need to get more detail from the Director and I can certainly respond to Councillor Smith and others with more accurate information.

Mr. Speaker: Thank you Councillor. Moving to the Standing Policy Committee on Fiscal Issues, report of July 12th.

REPORT OF THE STANDING COMMITTEE ON FISCAL ISSUES DATED JULY 12, 2005

Councillor Clement: Thank you Mr. Speaker, I'm pleased to move the minutes of the meeting of Fiscal Issues on July 12th, to move clauses 1 and 2 as Consent.

Mr. Speaker: I have item 1 before me on my...

Councillor Clement: Well yes there is two parts to it, I'm sorry.

Mr. Speaker: Clause 1 as Consent.

All in favour? Contrary? Carried.

Motions none. By-laws.

STANDING COMMITTEE ON FISCAL ISSUES CONSIDERATION OF BY-LAWS

Councillor Clement: I'll move that By-law 151/2005 and 152/2005 be read a first time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 151/2005, 152/2005.

Councillor Clement: I'll move that By-laws numbered 151/2005 and 152/2005 be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 151/2005 and 152/2005.

Councillor Clement: I'll move that the rule be suspended and the By-laws numbered 151/2005 and 152/2005 be read a third time and that the same be passed in order to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.

Mr. Speaker: Questions. Councillor Wyatt.

STANDING COMMITTEE ON FISCAL ISSUES QUESTION PERIOD

Councillor Wyatt: Yes, Mr. Speaker I am wondering through you to the chair if the chair could give us an idea of the state of the City's finances at this point and if we are on budget or are if we are over or under budget?

Mr. Speaker: Councillor Clement answering that. We only have fifteen minutes, go ahead. The state of the City's finances, let's go.

Councillor Clement: The first quarter document which was released to all Councillors approximately a month ago showed that we had a projected shortfall at that time of about $18 million dollars. And there are some numbers within that that will change but the current status is that the administration is looking at a number of issues to I guess basically take this into deficit avoidance. But we won't have real solid numbers until early in September when we will get the June numbers and I don't know how much they are going to change at that time.

Last year we went through a similar process and we were fortunate enough to find a number of areas where we could make some changes particularly through deficit avoidance and plan out if you like of the problem that we had. I'm not going to stand here and tell you that I'm as confident that we can climb out of it this year. But we won't have any solid information to go on until the first week in September.

Mr. Speaker: Thank you. Supplemental Councillor Wyatt.

Councillor Wyatt: Yes it seems that this has been a number of years now we seem to be running these deficits half-way through the year. So the question is, is are we really writing realistic budgets here and are we projecting correctly in your mind with regards to what we need as a City with regards to how we operate and the budgets we require when every year we seem to be doing the same routine where we are going back.

Mr. Speaker: Question Councillor.

Councillor Wyatt: That's my question.

Mr. Speaker: Thank you. Councillor Clement.

Councillor Clement: Yeah it seems like that kind of has been the trend for the last couple of least Mr. Speaker. It wasn't prior to that. Prior to 2003 I think that we were, although we showed minor shortfalls, that's typical with the first quarter, and we subsequently changed those. In fact we wound up with a surplus in 2002 I think of almost $7 or $8 million if I recall by the time we got to the end of the year, but very clearly this year and last year in particular have shown that some of our numbers are off.

The trouble with it is some of our revenue projections are off not just some of our expenditure sides. A perfect example of that is photo radar. When we approved photo radar which carries with it an $8 million dollar price tag yearly that we have to pay to operate it we were provided with data. I questioned the data on the front page of one of our major papers and some people didn't like it, and the Police department, but I questioned it because their data was based on what had happened in other cities that had had photo radar as an example. Their data seemed solid but I just questioned the fact that Winnipeggers are going to continue to get tickets and then keep getting more and more tickets. My experience with Winnipeggers is that they drive half-way across town to save 5 bucks so the I just don't' believe that its going to keep on happening like that.

But in any case having said that, the first year that we had photo radar based on the data that we had that was part of the question. It was hard data from other cities. It clearly showed that there was going to be a surplus. And so we put the surplus in the budget, and used it. And we used it for policing issues as a matter of fact.

The second year we lowered it by $5 million dollars even though the Police department wanted us to increase it by $5 million dollars which was swing of 10 and we still didn't hit the target. In fact, in the second full year we only broke even basically, which was last year. So those are the kinds of things that happen to you when you are budgeting so sometimes you are using historic hard data that turns out to not be accurate.

So it's, and in other situations you know people, I think you have to accept that when you are doing budgets you are using data based over the previous 5 to 10 years and sometimes it changes. And it's pretty hard to argue with some of the numbers when they've got that much history behind them.

But sometimes they prove wrong. Snow removal is a perfect example. We typically know that we are going to spend approximately $13.5 to $14 million dollars on snow Mr. Speaker and the bottom line was last year I think we spent $22 or $23 million. Well you know what it snowed. It snowed lots. And we had to take money out our snow reserve. Thankfully we had one and we were able to solve some of that.

So in fairness to the numbers last year as an example the first quarter numbers showed that we had a huge problem but almost $7 or $8 million of it was snow but we had the reserve to cover it off so it wasn't as bad as it sounded.

We have a similar situation this year but the reserve has been depleted somewhat and we may not have enough to get out of it and we better all hope and pray that

we don't get a lot of snow in November and December. But anyway, so there is no, I don't think that it's been all that anomalous the last couple of years it's just that, but I think this issue is going to be a little bit tougher.

Mr. Speaker: Thank you Councillor. Supplemental final, Councillor Wyatt.

Councillor Wyatt: Yes thank you Mr. Speaker through you to the chair. You have indicated Bill that we are having to do some deficit avoidance now where administration by the sounds of it have been instructed to that effect. Do we have an assurance that this deficit avoidance will not be directly impacting any of the City's frontline services?

Mr. Speaker: Thank you Councillor.

Councillor Clement: In terms of what I personally know as I stand here, we are not doing anything that impacts on frontline everyday services. Whether that has to be looked at is another issue but I am not aware that we are going there. I know that when departments are asked to give ideas they often will include things like that to try to reach their number knowing full well that we won't go there you know, I am not stupid I know how the game gets played a little bit to some degree, but at the present time there has been no decision anywhere that I am aware of to do that Russ.

Mr. Speaker: Thank you.

Moving on to the Standing Policy Committee on Downtown Development, report of April 4th, Councillor De Smedt.

**REPORT OF THE STANDING POLICY COMMITTEE ON DOWNTOWN DEVELOPMENT
DATED APRIL 4, 2005**

Councillor De Smedt: And Mr. Speaker that is simply for the notification of Council. There will be a 90-day extension to get a report back.

Mr. Speaker: No Motions. No By-laws. Are there any questions to the chair of Downtown Development? None.

Moving on to Standing Policy Committee on Property and Development, the report of July 5th, Councillor De Smedt.

**REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT
DATED JULY 5, 2005**

Councillor De Smedt: Thank you Mr. Speaker. I'm pleased to move the report of July 5th, clauses 1 through 29 as Consent.

Councillor Gerbasi: Number 1 please.

Mr. Speaker: Number 1.

On items 2 through 29 as Consent?

All in favour? Contrary? Carried.

Item 1.

**Item 1 - Historical Buildings By-law No. 1474/77 – 440-442 Assiniboine Avenue - Chelsea Court Apartments
File G-3.1.1**

Mr. Speaker: Will you introduce Councillor De Smedt?

Councillor De Smedt: Thank you very much Mr. Speaker. I really won't say too much about this except that your Committee on Planning, Property and Development made recommendation that we do not list the Chelsea Court Apartments as a historical site. So I would like to allow the Councillor who wants to stand this down and listen to the concerns and questions.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. I would like to make some comments about this. I am, I happen to be chair of a Historic Buildings Committee but this is also a local issue for the downtown area which I represent. There was a petition as you heard earlier from the delegation of over 1,200 residents and that was gathered in the relatively short period of time. And I don't know if you realize, I hope you realize how significant that, that 1,200 people are

passionately concerned about saving a building. That is not any small potatoes. It's not something I have seen, that I can recall, as long as I have been on Council that kind of an interest well, in a small neighbourhood issue like that.

And I guess I would like to emphasize it's not really only a small neighbourhood issue. It is a citywide issue when we start losing our heritage assets and our heritage character. Because that is what makes our City interesting, that's what makes our downtown interesting. It's what makes our City unique.

This building is a stone's throw from the Legislative Building, which is our most important historic building, most likely in Winnipeg. And when we lose a building, I just want to make the point that it's gone forever. It will not be back. These maisonette style apartments it's the only one we have, they will be gone forever. So that's the gravity of the decision that you are all making today. So I really hope you will be open-minded about this decision today and consider voting against the recommendation of the Standing Policy Committee.

I'd like to point out that the Historic Buildings Committee recommended that this building be listed. And this decision was made after the owner of the building let it decline for many years, evicted the tenants and then removed many parts of the interior building. The Historic Buildings Committee staff that evaluated the building, evaluated after these changes had been made, and they still felt that there was enough heritage value left in these buildings that they should be designated.

And I would like to remind Council that the historic building process is an objective panel of heritage experts. The Councillors on the Committee, Councillor Smith sits on the Committee and I think Councillor Wyatt, they choose not to vote on these matters. These are done according to an objective set of criteria. I'd also like to point out that the Historic Buildings Committee does not recommend that we save every single building that comes before us. In fact around the same time the Historic Buildings Committee said we should save Chelsea Courts, they chose not to designate the old Dubrovnik's Restaurant also on Assiniboine Avenue. So I give you that example to let you know that it's not just a blanket thing, that everything should be saved. But in this case this was seen as a very important building, important set of buildings.

It was originally laid over at Property Committee to see if there was potential sources of revenue for redevelopment. I've been advised by our heritage experts that there was up to a $1,000,000 dollars in potential heritage grants available for a willing developer to redevelop this. For goodness sake, that's how much the Union Bank Tower received recently from the Federal government. So there is a significant number of programs at the Federal level and other levels of government that could make this possible if there was a willing developer. And the key point is willing.

The owner decided sometime ago they wanted to tear these buildings down. The buildings were allowed to decline. Our by-laws were infracted upon in terms of while this was under heritage review, parts of it were removed. I have also been advised that this particular owner is been fined $1,700 dollars for breaking our by-laws. They owe us a significant number of back taxes, almost $10,000 dollars. They own five other buildings in the downtown that are on the heritage inventory list, which means they haven't yet been designated but could be, and maybe should be. Don't know yet.

And what kind of message are we sending by rewarding this kind of behaviour in a landlord in our City. What kind of message do you want to send? We would be telling this person go ahead and let all your buildings in the downtown decline. Your fine won't matter, you don't even have to pay taxes, you don't have to be responsible and you can go and make a whole lot of money plunking down a sky rise and removing, a high-rise building and removing something that's of heritage value. That's the message we're sending if we don't stop this.

It has, it was said the developer when they came to Standing Policy Committee said that these buildings could be redeveloped into high-end condos. But they don't want to because they can make more money doing something else. So it can be done. My view is that if this particular owner does not wish to preserve our heritage assets and it's ours, it's all Winnipeggers, it's not just the owner. We have a right to decide that something has heritage value for all our citizens. We can make that decision today.

If they don't want to do it then they have every right to sell it to someone who does but we have an obligation to decide what has heritage value for our future, for the future of our whole City. And if we as Council don't value these heritage assets and we've let these, certain property owners, and it's a small number, others are very, very responsible and do wonderful heritage redevelopment or they sell the building if they don't want to do it or they do whatever. But we can make that decision today. And I'm really concerned about the message we're sending to other buildings that are in my ward and in our downtown for all the citizens of Winnipeg.

So please reconsider the decision of the Standing Policy Committee. This is an issue for the local residents. It's an issue for downtown redevelopment. It's an issue for all of Winnipeg and a message we're sending about whether or not we value heritage. So please, I plead with you to vote against the recommendation today and designate this building. Thank you Mr. Speaker.

Mr. Speaker: Councillor Thomas.

Councillor Thomas: Thank you. I should have caught this at Executive Policy Committee and I apologize to my Executive Policy Committee members for not catching it at that point in time and speaking out about it at that point in time, but I've had a long connection with this building. When I first moved to Winnipeg I lived across the street from this building and had a number of my close friends that lived in this building.

And it was a stunningly beautiful building inside and out. And at that point in time one of my very good friends who really wanted to live in this building after about five years moved out in frustration. Because, and I don't know whether the ownership has changed since the 1970's, but this person wouldn't even fix the toilet and everything had to be done by the tenants who were in there and they weren't reimbursed for any of the things.

It's a stunningly beautiful building inside and I believe it was built for MLA's when they were to come into town and I think that was what was told to me to be some of the history on that. Dark oak throughout the whole thing. Pantries as well as kitchens with eating areas in it. Dining rooms with oak set-in china cabinets. Walk-in oak closets that were, a friend of mine who had children turned the walk-in closet into an additional bedroom, that's how big it was. Stunningly beautiful sunrooms that were big enough to, even though they were attached to the living room, were big enough to be considered another room and just the most basic maintenance was not taken care of by the landlord at that time.

And I visited on a regular basis and would constantly hear from my friends about their frustration and I know that one of my friends moved out because he was sick and tired of having to pay for just the tiniest things. And I can muse as to whether if someone's not willing to fix a toilet, it doesn't matter whether it's a new building or an old building, those things are still going to happen and I wonder about that.

I hadn't realized until I heard the delegation today that people were evicted. Because I know that there were a lot of people that were determined to stay there and were putting their own money into fixing the building up because the landlord at that time was abdicating their responsibilities and they were determined to stay there and to fix it up. And I'm very disappointed to find out that people were actually evicted. So a person has chosen to, to not collect rents.

And it's a beautiful, it's called Chelsea Court because it's got a lovely courtyard and people used to meet there and have community barbecues and I lived across at Eden towers and they were often inviting us over for barbecues at that time. It was just a lovely little community in and of itself and it's sad that it gets destroyed when someone doesn't live up to their responsibilities.

I also wasn't aware that they weren't paying back taxes and I think part of me says well what if we got a responsible person who honours heritage because I'm sure they'd have no problem in renting that out. My concern is, is a lot of those beautiful oak cabinets, cabinetry, the walk-in pantry, the walk-in closets in the bedroom with the lovely oak built in chest of drawers, has all that stuff been destroyed? I'm concerned about that.

So, and yeah, I don't feel like rewarding someone who's done, who's done that. Has taken their responsibilities very lightly in this case. I don't feel like rewarding that kind of behaviour and so I will not be supporting the de-listing on that and I apologize for letting that pass my scrutiny at Executive Policy Committee. Thank you.

Mr. Speaker: Thank you Councillor Thomas. Councillor Lubosch.

Councillor Lubosch: Thank you Mr. Speaker. If what, if what's being said is true about Chelsea Court and the fact that it has suffered 10 years of deliberate neglect, then shame on the owners and shame on the City and shame on anybody who let this happen.

I'm very encouraged to see my colleague to the left, Councillor Gerbasi, standing up for heritage buildings. She's certainly been a passionate member of the Committee for many years. And I'm sure that there are other people here that may feel the same way about some of these buildings when you consider some of the successes that we've had with heritage buildings in Winnipeg.

Mr. Speaker I'm shocked at the photos that were presented during today's presentation. The buildings on the outside don't look all that bad and certainly the photos from a private suite on the inside look very charming and certainly very liveable and desirable. But when I saw the photos that were presented in our report and saw the wanton destruction and garbage laying around, how can this be let to happen Mr. Speaker?

I am very concerned that when I see this and when I see other deteriorating properties in our City. On Henderson Highway there are numerous gas stations that have been left abandoned and in various states of demolition. In downtown there are vacant lots. You only have to look across from City Hall where the Leland once stood to see how little attention is being paid to making our City look not just a little bit presentable but at least somewhat functional. The weed patches, the piles of mud, the garbage and debris that's left around, it sure doesn't show a lot of take pride, does it?

Mr. Speaker, somebody, someone needs to be held accountable. We need more leadership from the special, from the Standing Committee of Property Development, from our department. We need leadership to safeguard our City from irresponsible property owners, property speculators. We need to be as zealous in this regard, as enthusiastic and as vigilant and as convicted in this regard as we to promoting the interests of the Wal-marts and the Shoppers Drugmarts that are popping up everywhere they may.

Mr. Speaker I am completely in favour of looking at the business cases on an individual basis and the merits of preserving and rehabilating older buildings. I mean where would we be today if we didn't have the successes in our downtown. Like the Ashdown Warehouse, the former Big Four building, the Walker Theatre, a jewel in the heart of our market area, Red River College. The list goes on and on and on.

It would seem to me that to make a decision today to expedite the narrow interests of a potential new development

of that location when not completely exploring and exhausting all the other opportunities that may be afforded to rehabilitate this property, it would seem to me to be another, another black mark on this Council and another failure of our ability to use our creativity and muster some gumption to do the right thing.

So I am hoping that although this is the last meeting of this session and although there has been some pressure from the owner who is obviously not been terribly concerned over the last 10 years in maintaining this property or doing anything meaningful with it, that we hold off on our decision to de-list it. That we even try to help them facilitate and muster the resources that they require through this government and through other levels of government to try and rehabilitate this property.

It would be a real shame not to do so Mr. Speaker. And ultimately there's no reason to rush to judgement on this issue. The building is not on fire, it's just in a little need of "TLC". Thank you.

Mr. Speaker: Thank you Councillor Lubosch. Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I rise to make a motion to refer back to Standing Committee of Property and Development without instructions.

Mr. Speaker: To speak against (In Audible).

Councillor Wyatt: I'd like to speak to the motion. Three minutes?

Mr. Speaker: Motion to refer without instructions.

Mr. Speaker: All right, okay. Short.

Councillor Wyatt: Yes, Mr. Speaker, the reason is I was at the Committee; I was one of the individuals who actually voted not to, I voted to place it on the historic list, conservation list. You know I could understand economically if it's not doable to historically restore these buildings but in questioning the property owner, the owner of the property who is very knowledgeable, who does a lot of development in this City and around the world. He indicated that yes they can be redeveloped and he even indicated the value of what one unit, the one bedroom unit would have cost to redevelop. And two bedrooms, the two bedrooms to redevelop was $147,000 dollars. And he indicated, yes, that there was a strong possibility these could be marketed as condos and higher-end condos, and that the neighbourhood could do it.

But the problem was not that they could not be redeveloped and preserved, not that they could not be sold in the market and, there was a market. The problem was the parking. And at that time I felt we gave short shrift with regards to it because parking in the area can be found.

We have a right-of-way that runs there along the property, the street, I forget the name. It's beside, perpendicular to Assiniboine, Kennedy, thank you, we have a right-of-way south of Assiniboine, there is a trail right now going to the river but it can easily be moved and accommodated. As well, the Province owns the land on the other side and from what I gather there was not a lot of discussion with the Province with regards to acquiring some lands for parking.

And I think there's a way to preserve this building. This is the only maisonette building of this type of style of construction in Winnipeg. And we know Councillors that the importance of this and the importance of heritage. It adds value and to the economic growth of our City. It's what makes our City beautiful and attractive, one of many things, and it's crucial that we preserve these things. And so it's not an issue Councillors of not being able to preserve this.

I want to make it very clear, it's not economically impossible to preserve these buildings. We found out yes it is. But the issue is if you're going to sell condos and higher-end condos you need to give people a parking lot. You've got to give people a place to park.

Mr. Speaker: You're not speaking to you motion. You're referral motion. Why refer?

Councillor Wyatt: I'm speaking to the referral because of the information that I feel was not accurately addressed, could be addressed and worked through. We could preserve these buildings. There's no reason to rush to make judgment on this today. There's no reason to rush, especially when the owner's had it for this long. Thank you.

Mr. Speaker: Thank you Councillor. Councillor De Smedt did you wish to speak on the motion to refer? You have a right of reply up to three minutes.

Councillor De Smedt: Very briefly, Mr. Speaker and colleagues in Council, I have a lot to say about this property I suppose if I wanted to go over every little issue but let me just say that Committee heard things in a little different context than what Councillor Wyatt has just expressed. I mean this is private property that has atrophied. There could be some, perhaps some reasons why the owners did not give sufficient contribution to this site, which you know you really have to go and look at it. We can't look at things with rose coloured glasses and muse about nostalgia.

If you go down and look at these buildings they're on rubble foundations. They are not economically viable to turn them around. In the context of which Councillor Wyatt is expressing that that discussion about parking, going into the Legislative grounds and trying to secure parking on the riverbank and riverfront property seems a rather unlikely process. The right-of-way that exists there, should it be available, and I can't say that it would be available, is not going to provide sufficient parking.

The fact of the matter is, is that you have to look at the context of this property, the Property and Development Committee and other Councillors who have a different point of view on occasion about heritage properties are not the bad guys of heritage in this City. I've sat on the Heritage Building Committee, I understand the issues and how we rate properties but you reach a point in time where some properties are just not going to be able to sustain themselves and get turned around.

There was a discussion that grants are available. It did become evident to the Property Committee that these grants that you get from Federal government are taxable. So at the end of the day, who knows how much is left over to go towards the rehabilitation of these properties?

Let me just say that this is not in the heritage district in the Exchange which obviously is a high priority value to ourselves. There are other properties in the City that we would, we have maintained, that are outside the Exchange District. Please go down there and look at the boarded-up buildings and accept the fact that when we laid this over from the previous Committee in April, giving the owners time to come back with an economic analysis, to see if there are grants available and to give us a report on the structure, that it is not economically viable to maintain them.

So I would urge that we don't go through this process and keep delaying things forever. You know there is a private sector model in this City that people are working hard for our City. It may not always be perfection in the way some want to see it but let me just say that I think this area needs to get rehabbed and I would not recommend that we refer to this thing.

Mr. Speaker: Thank you Councillor. Question on the motion to refer.

A recorded vote has been asked for on the motion to refer. All in favour of referral please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Benham, Gerbasi, Lubosch, Pagtakhan, Smith, Thomas, Wyatt.

Nays

His Worship Mayor Katz, Councillors Eadie, Lazarenko, Clement, De Smedt, Magnifico, Steeves, Swandel, Mr. Speaker Councillor O'Shaughnessy.

City Clerk: The vote Mr. Speaker, Yeas 7, Nays 9.

Mr. Speaker: The motion to refer is lost.

No other speakers listed on the clause. Councillor Wyatt wishes to speak to the clause.

Councillor Wyatt: Yes Mr. Speaker. It's unfortunate that we seem to be in a rush. You know once we knock down the history, this building was built in 1914, once we lose the history we'll never get it back. And you know I find it ironic that sometimes we'll go out of our way to preserve something, even if it's not economical, government seems to do that once in awhile. And then yet when we know and we find out that it is economical for the private sector to do this, it's just the business decision. It's a business choice being made by the property owner that clearly obviously they can probably make more by developing a high-rise building there than renovating these into condos. That clearly we've now decided to side with that even though we do believe in historic buildings or we claim to believe in historic buildings in the City.

This building I think warrants to be placed on the historic buildings conservation list and the fact that we've now decided or we're going to vote to decide with regards to the vote here to rush this, after this has been owned and been operated now for some years by this property owner, to rush this decision not to look into other opportunities is unfortunate.

We know that this can be preserved. There's the financial ability to do it. It's located with the right-of-way along Kennedy as I indicated. The only issue that was outstanding that I heard from the property owner was the fact that if they chose to preserve its economy they can only do that if they had adequate parking. They needed parking spaces.

Yet we have the right-of-way of Kennedy from south of Assiniboine up to the Assiniboine River and the Provincial government. There's no park. The Province is operating right now a greenhouse there. This is not part of the Legislative grounds as it's been described. There is a greenhouse that exists there that is not in the way if they wanted to expand and get a bit of parking there along with our right-of-way. Actually I don't even think we would probably need the Provincial grounds based on our right-of-way alone for the amount of parking that is needed for this site. There is no reason why we can't preserve this building. It's now being done as a political choice, a choice to knock down a historic building.

And let me tell you Councillors that Winnipeg is unique in this country. We are a very young country, we are a very young continent and areas where you have the conservation and heritage are prized. And they attract business and they attract tourists and they attract individuals who want to live in a City who want to have that kind of heritage and who want to have that tradition of history and know where the City stands and the roots the City comes from. We have that in the Exchange District and I'm scared to hear talk that we have these boarded-up Exchange buildings. Well they are boarded up for 10 years, well let's knock them down.

You know this is not the kind of policy decision making that should be going on. We should be going out of our way to preserve our heritage because we know that it adds value to our economy and

value to our City. One of the greatest things that I hear, I don't know what you folks hear when you have visitors coming; they're impressed by the amount of heritage buildings we have, from a Canadian perspective. You have to go to old Montreal sometimes to see that kind of heritage. You go out west, you don't see the same kind of heritage in Calgary, you don't see the same kind of heritage in Edmonton. You don't even you know, you don't even see the same kind of heritage in Vancouver.

You know we have some real jewels here in the City Mr. Speaker, and we were the, we are the gateway to the west and we were going to be the Chicago of the North and we have this great tradition of these beautiful heritage buildings and this building was built at the time of the great boom that took place at the beginning of the turn of the century Mr. Speaker.

Let us not rush to destroy that history. Let us preserve it. There's no reason why we can't preserve it. I pointed out today that it can be done. It's just an issue of the property owner and they are the private property owner, they have certain rights. But they have made the decision to knock it down because they want to gain more out of it economically, that is their choice, of course.

But it's also our choice as a community and as a Council representing the entire City to say that we also want to preserve heritage and we want to ensure that that's an important part of our City. And there is always a conflict when that happens there is no doubt about it. But in this case we are actually showing where it can be done economically. And so I'm encouraging Councillors not to support the recommendation coming out of the Committee and vote, instead, to support the conservation of this building. Thank you.

Mr. Speaker: Thank you Councillor. Councillor De Smedt summing up on the clause.

Councillor De Smedt: Thank you very much Mr. Speaker. Just picking up on the Councillor Wyatt's last point. It has been shown that this is not an economic redevelopment project. I think clearly there was evidence based on the engineering analysis and on the costs that we face today that it is not economic. Point of fact, this is not a heritage building. What we're considering is the matter should it be a heritage building. And I purpose to you and if you go down and you look at the site and walk around, you understand the engineering of it; you understand the economics of it. That this is a nostalgic site and I understand people having a lot of nostalgia.

I mean we even have a distinguished speaker here who used to live in this house as a very young person. We have a lot of nostalgia in our lives. The fact of the matter is, is that this City has been dedicated to preserving heritage when it makes sense. And in the context of what we have here, it does not make sense to try and lay the issue on to the owner, to say sorry we are going to list it, now it's up to you. Remember he has the right to leave it vacant for the next hundred years if he wishes to. It's his property. Just because you might make it heritage if you choose to do so nothing is going to happen. As long as they pay their taxes. We'll hear about that. As long as they pay their taxes and they are not in tax sale, we're not picking it up. I didn't hear anywhere in any of the delegations or at any point in time during our deliberations that we're about ready to pick up this site in tax sale.

It makes an awful lot of sense considering everything that's going on in our downtown redevelopment to see the site come up as a modern structure in the context of what had been there. They have a very credible architect that's working for them to redesign this. We're looking at conceptual plans but that's what the owner is prepared to do and he understands the economics of it.

As we have these discussions here and I keep hearing about the private sector does this, they're not willing to do that, we should preserve it and ignore them. I mean I can say that if there ever comes a time in this country you better get property rights into the Charter of Human

Rights and legislation. We don't have that now and we should have had it in back in 1982. These discussions that we have around here you can just arbitrarily expect the private sector to give up what they have.

Now we're not always perfect in some of our analysis but let me certainly say to you that this is a nostalgic site, there is a lot of interesting things that have happened there, whether it was an artist colony, a whole bunch of folks that were involved in certain downtown issues wanted to live there. Appreciate that. But on balance, to know the location where it is, it would be a marvellous opportunity to have this particular site rehabilitated to something that's more modern but as the owner has indicated in the context and in the spirit of what was there with modern materials and modern building techniques.

Please remember this sits on a rubble foundation and it's disintegrating. And the exterior is disintegrating and it's been doing that for an awful long time. Whose fault was it with precision? I don't know. I don't think it was built to last forever. It's not a heritage site. Thank you.

Mr. Speaker: Thank you Councillor. Question on the clause. A recorded vote has been requested. All in favour of the clause please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Eadie, Lazarenko, Clement, De Smedt, Magnifico, Steeves, Swandel, Mr. Speaker Councillor O'Shaughnessy.

Nays

Councillors Benham, Gerbasi, Lubosch, Pagtakhan, Smith, Thomas, Wyatt.

City Clerk: The vote Mr. Speaker, Yeas 9, Nays 7.

Mr. Speaker: The clause is carried.

Report of July 18th, Councillor De Smedt.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED JULY 18, 2005

Councillor De Smedt: Thank you Mr. Speaker. I'm very pleased to move the report of July 18th and clauses 1 through 20 as Consent.

Mr. Speaker: All in favour? Contrary? Carried.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT MOTIONS

Motion No. 1
Moved by Councillor De Smedt
Seconded by Councillor O'Shaughnessy

WHEREAS on June 7, 2005, the Standing Policy Committee on Property and Development amended the recommendation from the City Centre Community Committee with respect to the Rezoning of 1535 Wellington Crescent (the former CN rail right-of-way including the bridge over Assiniboine River between Wolseley Avenue and Academy Road) under File DAZ 235/2004;

AND WHEREAS, on June 22, 2005, through clerical error, the report from the Community Committee was considered by the Executive Policy Committee as Item 2 of the Report of the Standing Policy Committee on Property and Development dated June 7, 2005, rather than the recommendation from the Standing Policy Committee;

AND WHEREAS Council, on June 29, 2005, adopted the Executive Policy Committee recommendation;

THEREFORE BE IT RESOLVED that Council reconsider Item 2 of the Report of the Standing Policy Committee on

Property dated June 7, 2005, as adopted by Council on June 29, 2005;

AND BE IT FURTHER RESOLVED that Council rescind that portion of its decision of June 29, 2005, with respect to Item 2 of the Report of the Standing Policy Committee on Property and Development dated June 7, 2005, as follows:

1. Delete Recommendations 2A., 2B. and 2C. in their entirety and replace them with the following:

> *"2A. That the Developer grant, in perpetuity to the City, an Easement or other such appropriate legal instrument, as determined by the City Solicitor/Manager of Legal Services, for the maintenance and perpetuation of Wellington Crescent across the subject property in general accordance with Schedule "B" for File DAZ 235/2004 dated April 1, 2004, to the satisfaction of the Director of Public Works.*
>
> *2B. That the Developer grant, in perpetuity to the City, an Easement or other such appropriate legal instrument, as determined by the City Solicitor/Manager of Legal Services, for the maintenance and perpetuation of Wolseley Avenue West across the subject property in general accordance with Schedule "D" for File DAZ 235/2004 dated April 1, 2004, to the satisfaction of the Director of Public Works.*
>
> *2C. That the Developer provide and legally open, at no cost to the City, property required for a widening to the north side of the Academy Road right-of-way as illustrated on Schedule "C" for File DAZ 235/2004 dated April 1, 2004, to the satisfaction of the Director of Public Works."*

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Mr. Speaker: Motions, we have motion number 1 moved by Councillor De Smedt, seconded by myself to correct a clerical error of the report of the City Centre Community Committee we passed a couple of months ago.

All in favour? Contrary? Carried.

Bylaws. Councillor De Smedt.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT CONSIDERATION OF BY-LAWS

Councillor De Smedt: I'd like to move for a first time Mr. Speaker, Bylaw No. 132/2005 to 140/2005, 142/2005, 145/2005 to 149/2005 and 153/2005 to 157/2005.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 132/2005, 133/2005, 134/2005, 135/2005, 136/2005, 137/2005, 138/2005, 139/2005, 140/2005, 142/2005, 145/2005, 146/2005, 147/2005, 148/2005, 149/2005, 153/2005, 154/2005, 155/2005, 156/2005, 157/2005.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: I would like to move Mr. Speaker that By-laws numbered 132/2005 to 140/2005 both inclusive, 142/2005, 145/2005 to 149/2005 both inclusive, and 153/2005 to 157/2005 both inclusive, be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 132/2005 to 140/2005 both inclusive, 142/2005, 145/2005 to 149/2005 both inclusive, 153/2005 to 157/2005 both inclusive.

Councillor De Smedt: I would move that the rule be suspended and By-laws numbered 132/2005 to 140/2005 both inclusive, 142/2005, 145/2005 to 149/2005 both inclusive, and 153/2005 to

157/2005 both inclusive, be read a third time and that the same be passed in order to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.

Addendum By-law for first reading only, Councillor De Smedt.

Councillor De Smedt: I would move that By-law No. 141/2005 and 67/2005.

Mr. Speaker: That the rule be suspended and By-law No. 141/2005 be read a first time.

All in favour? Contrary? Carried.

And again on 67/2005

All in favour? Contrary? Carried.

Councillor De Smedt: Oh I'm sorry. I thought I read that.

Mr. Speaker: It has to be read all three times.

Councillor De Smedt: Okay thank you.

Mr. Speaker: Mr. Clerk.

Clerk: By-law No. 67/2005.

Councillor De Smedt: And I would move that By-law 67/2005 be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: Bylaw No. 67/2005.

Councillor De Smedt: And I would move that By-law 67/2005, the rule be suspended and By-law 67/2005 be ordered the third time and signed and sealed in order to by passed.

Mr. Speaker: All in favour? Contrary? Carried.

Questions? Councillor Wyatt.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT QUESTION PERIOD

Councillor Wyatt: Yes Mr. Speaker, for some time now the staff, the administration, have been indicating to the development community that their requirement to have secondary plans or they call them area structure plans in place prior to coming forward for application. There is a growing concern, through you to the chair Mr. Speaker, that for whatever reason there is a bottleneck occurring within the administration with regards to these secondary plans.

South St. Boniface being pursued by Qualico, hundreds of homes basically that the area structure plan done, completed, filed with the administration for months and yet they are told that they can't come forward for applications until the first reading of the secondary plan. Transcona West area structure plan which was supposed to have a draft done by now is still in the works being done by our administration. We don't know when it is going to be coming forward.

This is with a lot shortage supply in certain areas of the City. It's becoming critical that we allow for single-family and housing development to take place, yet we have these area structure plans being required and there is a lot of lack of clarity with regards to what's actually supposed to be in an area structure plan. How long, how soon will the administration act upon it once it is filed with the administration with the City and the process thereafter?

Could the chair add some clarity to the process, what's taking place and assure us that the administration will move as quickly as possible to ensure that these developments can move forward as they are within the neighbourhood policy area within Plan Winnipeg.

Mr. Speaker: Thank you Councillor Wyatt. Councillor De Smedt.

Councillor De Smedt: I'll keep my remarks very short Mr. Speaker. Councillor Wyatt is entirely aware of the process that's been established and the

fact that he has been personally working with the administration on the secondary plan for West Transcona. The person that's working, the developer that's working South St. Boniface, is fully aware of the process. They have been briefed, they have been working with the department and we are moving ahead and there is no hold-up.

And I just don't understand why we have to come, and I'll be as gentle as I can, grandstand that there is a problem. There isn't a problem evolving there. There has been an iterative approach that has been developed. The Councillors of the areas have been working in consultation with the department and with the developers accordingly and we don't think we are holding anything up. Thank you.

Mr. Speaker: Supplemental Councillor Wyatt.

Councillor Wyatt: The problems, there is a problem I guess I disagree in the fact that secondary plans are being filed and or not being done at all and yet this has been required before applications can be filed is what we are hearing and it is according to what I am hearing holding up the process to being able to file applications.

When one secondary plan is filed months ago with the City and the City doesn't act upon it first tells a developer that it would come forward for first reading in June and then July and then no sorry in September, that tells me there is a problem and this is having a huge impact on the ability for the City to address its demands. So I disagree and I would hope that the chair would be able to give some clarity about addressing this issue because this is a new process for us in the City with regards to the need for having all these area structure plans everywhere.

Councillor De Smedt: Mr. Speaker, Mr. Speaker, area structure plans, secondary plans are synonymous and so again I reiterate. I had heard that there were some concerns by the developers. There had been a meeting with the department and the developers and they are entirely satisfied. And I have heard from them. The process is moving in accordance with the intent of developing a proper area secondary plan. Area structure plans and secondary plans are synonymous. And so you may wish to differ but I can assure you that these plans are moving in a consistent way all over the City. Can we do it faster? I suppose if we hired another 32 planners but that isn't obviously in the works.

We've made great strides in opening lots in the last year and while we are hearing constantly from the industry of the shortage of lots, and there are going to be next year if we don't continue to move ahead, things are unfolding as we intend. And certainly let me remind you when we were here talking about Waverley West on January the 4th or the 6th or whatever it was, in the public hearing, I think everybody admitted about the lot shortage, that both the development industry and the City fell asleep for the last 2 or 3 years and we were caught by surprise. That is on the record.

And so we are working very diligently, cooperatively with the industry to try and move these things ahead. If there are some specifics that certain Councillors or certain people feel or developers that we're holding them up, obviously the department would be willing to work with them. We had heard and we cleared up the issues. Thank you.

Mr. Speaker: Final Supplemental.

Councillor Wyatt: Yeah, my final supplemental is in light of that and that there is no hold-up in that this is relatively new, the requirement for area structure plans, typically it's done via application and the DASZ process kicks in. Once the secondary plan or an idea of a secondary plan concept is unfolded, you indicated at the Standing Committee the other day and I just want to state it again, that there would be no hold-up for a developer to be able to file an application with the City for development as has been the past under rules. There would be no hold-up to do that if there is a clear indication that they've started their secondary plan process and there is no clear conflict with preliminary secondary plans.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: Well I was looking for a question in there you know Mr. Speaker, certainly I will reiterate. As we understand it and as the department has reported and to Committee that the secondary plans are unfolding and that as applications come in if it is consistent with the secondary planning process we'll move ahead. How many times can I say it? Three times now. We have not had anybody since the discussions that have taken place in late May and in June to clarify the steps in the process that they were entirely satisfied that we will be getting there at the right time this fall. Thank you.

Mr. Speaker: Thank you Councillor De Smedt.

Moving on to the report of the Committee on Alternate Service Delivery the report of May 17th, Councillor Magnifico.

REPORT OF THE ALTERNATE SERVICE DELIVERY COMMITTEE DATED MAY 17, 2005

Councillor Magnifico: Yes Mr. Speaker I'd like to introduce the report from May 17th and move adoption of the Consent agenda item 1. All in favour?

(Laughter)

Mr. Speaker I'd like to speak to this right now if I could.

Mr. Speaker: You are right. It is you duty to introduce the clause.

Item 1 – Solid Waste Collection Services Business Plan File WT-1

Councillor Magnifico: Before we find out what the result of this vote is I would like to thank some people that were involved, the ASD Committee, the joint CUPE and Council Committee for putting the time and effort in that they did. To Annitta Stenning and her staff for the diligence and work that they've put in. To Mr. Davidson and Mr. Mandzuk for the work that they've done for CUPE and the information they brought to the table and to all the delegations that were here today. Thank you very much. It's been a tough issue and a very difficult situation all around.

I simply would like to talk a little bit about the issues and some of the myths that have come out in the last, I guess couple of months. I haven't said too much about them but I'd like to make it clear today when we vote on this it's a very, very important subject. It affects a lot of people's lives and it's important to know that everybody here has the right information as we go forward.

If I could I'd like to dispel some of the, for example myth number 1 - garbage companies lowering their bids by low-balling. Well, I guess if you do and you deliver a good service, who cares. We'll save a lot of money. And if everybody within that company is making a decent living and the service is coming, well great, low-ball us all you want. We'll take the savings.

Myth number 2 - Private companies can bid more cheaply only because they pay low wages. Mr. Speaker, I'm sure Councillor Gerbasi has checked and I'm sure she knows that most of the successful firms in this business are unionized right now. The Teamsters, the CAW. Sample pay packages of some of these unions, because they get paid by the hour or the ton, whichever is more, vary between $120 to $150 per day per employee, plus dental, pension benefits among other things. They're paid by the hour or by the ton, whichever is higher, and the rates are quite comparable in a lot of cases to what we're paying our people.

Myth number 3 - We don't know why private companies are cheaper. Well, the biggest reason is because garbage companies focus on picking up garbage while we try to do everything else. We have a City to run. We have all kinds of areas to run. Did you want to say something Ms. Gerbasi?

Mr. Speaker: Councillor Magnifico please speak through the chair and to the chair.

Councillor Magnifico: I just thought I heard something. We try to provide career track jobs for our staff in the industry where they won't work. We carry higher overheads because we can't spread our costs around.

Myth number 4 - Mr. Speaker, Councillor Benham had told EPC we need to stay in the business or else we will never know what a fair price for garbage is. I don't know what that means because why is this important? As long as we're getting good service and we're getting our worth and we our getting our savings, who cares what a fair price for garbage is? There really is no sense to that statement and I don't understand why it was brought up.

Myth number 5 - CUPE says it can save $1 million dollars. Well, we've proven north of the river over many years that the savings that we're going to realize are real. We're already saving $3 million over there. CUPE refused at our meetings to guarantee that its smaller savings could happen for sure. They would only insinuate that they may be able to do it. No guarantee whatsoever.

Myth number 6 - Mr. Speaker, Councillor Gerbasi had said we would lose all semblance of control by not having the private and the public sector mix which makes no sense at all because when a private contractor puts their bid in, the last thing they look at is the City example. They look at the guy next door bidding, the guy who is going to bid against them and try and undercut him. What the City is doing not their problem. Right now in fact as it sits the public monopoly we have sometimes with the union dictating to us how work should be done is probably scarier than the one that she anticipates could happen.

Myth number 7 - Supposedly any contract deal will end up in the hands of large American firms. Not true. As Councillor De Smedt noted in EPC, we have home-grown firms here in Winnipeg that believe they can compete, create a bigger corporate HQ and long time opportunities and they need more work to grow to do that.

Myth number 8 - NAFTA prevents us from getting back in the business if we have to. Not true again. The provision that was raised only forces you to pay compensation if you nationalize something. We wouldn't be nationalizing anything. We would be choosing to stop tendering contracts. Read the actual provision, Chapter 11 in NAFTA.

The facts. It's time to stop dealing in fake press release economics and start dealing with what we actually know. The City has proven it can save more by contracting out in the north. Every year's worth of contracting out north of the river has saved us approximately $3.2 million dollars at current rates. Three different studies were done at great expense to say that we should do the same thing in the south and each time somebody managed to persuade Councillors to put the public interest aside. Shelf the project and maybe it will go away.

We know other cities have contracted out 100% of their collection and never, ever see any monopoly from coast to coast whether it's Halifax, Waterloo or West Vancouver. We know that CUPE refuses to guarantee that the $1 million dollars in savings it talks about will be achieved. Anyone who wants to defer this for another year to wait for more proof is kidding themselves. This is $3 million dollars that could be invested back in broken roads. $3 million dollars that could be invested back in crime prevention. $3 million dollars we won't have to shave off important community services. $3 million dollars for the same quality of service.

The reports that indicate the savings were deemed to be conservative estimates, not pie in the sky numbers. The indication is that it could be higher than the ones given, not lower. It works both ways. We really don't know the answer. This is not about, the Alderman from St. James when he was up here said this isn't about being pro-union or anti-union. This isn't about being pro-private or anti-private. This is about making a decision that's

good for the citizens of Winnipeg. It's a hard decision. We know that. We don't want to make it quickly. We haven't. It's been a long time. But it's about doing what's right for your citizens. Not about your special interest causes if you have any. This is the time to stand up and be counted and show the citizens of Winnipeg that we're not going to make a fourth report and spend another half a million dollars to find out what we already know that unfortunately the rest of the City should be contracted out.

Motion No. 4
Moved by Councillor Benham
Seconded by Councillor Thomas

WHEREAS the Water and Waste Department and CUPE Local 500 have identified savings of 1 million dollars a year to solid waste collection through internal productivity improvements;

AND WHEREAS the City of Winnipeg has a responsibility to save money for taxpayers in the provision of services, while acting as a responsible employer;

AND WHEREAS the Canadian Union of Public Employees Local 500 agreed to negotiate a Letter of Understanding regarding workplace issues identified as risks in the Solid Waste Collection Services Business Plan;

THEREFORE BE IT RESOLVED that Item 1 of the Report of the Alternate Service Delivery Committee dated May 17, 2005, the Solid Waste Collection Services Business Plan, be referred back to the Alternate Service Delivery Committee with the following instructions:

> *That the Water and Waste Department be instructed to implement Option 3 of the business plan, the internal productivity improvements by City employees, beginning no later than September 1, 2005;*

AND BE IT FURTHER RESOLVED that the Water and Waste Department report back to Council on actual savings created by the internal productivity improvements after at least one year's experience.

Mr. Speaker: Thank you Councillor. Councillor Benham has a motion to refer, which is totally in order, but he also has instructions. The instructions I've been trying to work it out with the clerk are either the Council direct Water and Waste to implement Option 3 or that we direct ASD to direct Water and Waste to implement Option 3. Neither can be done.

Under this clause we're not looking at Option 3 number one and certainly ASD has not the power to direct Water and Waste to do anything. It's not their jurisdiction.

A motion that Council direct Water and Waste to implement Option 3 could come up under motions of ASD but not here. So the instructions, I must rule, are out of order. The motion to refer is entirely within order and you could move that but these instructions are totally out of order.

Because neither Council, Council can't move a department of the City to do something that isn't even before us on our agenda under this clause and the ASD has no power to direct them to do anything. So no matter how I interpret that part of the clause, the instructions don't work. But you do have the right to move that the clause be referred back, certainly.

Councillor Benham: All right thank you, Mr. Speaker.

Mr. Speaker: Unless you just take a minute to explain to me how that direction to Water and Waste is in order which I can't quite…

Councillor Benham: Well, Mr. Speaker, I'm quite disheartened because I did consult with the clerk in advance, by a couple of days, and the clerk indicated that this would be in order. That's why I pursued it. That's why I have now discussed it publicly as being something that I would put before Council and I guess for future direction, I guess I don't know what happens because I guess I have to bring a motion before Council to get it ruled on whether or not it's in order. I'm very disheartened by this because I

did try to follow the rules, consult with the clerk. The clerk told me that this was in order and on that basis I proceeded. I'm sorry. And having said all that...

Mr. Speaker: You can challenge me or explain to me where I have erred. Either way, the floor is yours. There's no time running on that.

Councillor Benham: Well under the circumstances, if you're saying if this motion then ends at therefore it be resolved that item 1 of the report, etcetera, Solid Waste Collection Services Plan be referred back to the Alternate Service Delivery Committee, if I put a period at that point…

Mr. Speaker: It's totally in order.

Councillor Benham: And delete the rest of it then this motion can go forward.

Mr. Speaker: Absolutely.

Councillor Benham: Okay thank you Mr. Speaker.

Mr. Speaker: Then you have three minutes to introduce a motion to refer.

Councillor Benham: And Mr. Speaker I can speak on this motion and the main motion for the full 10 minutes? Is that correct?

Mr. Speaker: If your motion passes there won't, no not 10 minutes but 8 and an extension if the motion fails. If your motion passes we won't have this item before us. It will be back at ASD. You have three minutes to introduce the motion to refer the clause back right now.

Councillor Benham: And then the vote will be held on that and then we'll vote on the motion?

Mr. Speaker: And then we start on the clause where you have all the normal rights of speaking.

Councillor Benham: Thank you, thank you Mr. Speaker. Thank you for that advice on the rules.

Councillor Benham: Mr. Speaker, I believe that we should refer this back and I will try to separate out my reasons for doing that from my opposition to the motion as a whole. The reason we should refer it Mr. Speaker, and to my mind with a view to giving our workers a chance are the following.

I think it's important that all of us, all of us be fair to our employees. We're the Board of Directors of the Corporation of the City of Winnipeg and there is nothing more important I think, in the minds of those who run a corporation than the welfare of their employees. Now we are also a tax supported organization so we also have to think about the welfare of the people who support us, of the taxpayers. So it is a balance Mr. Speaker and it is a balance that should be sought not in an ideological way but in a way that finds the best solution for taxpayers and for the people who work for us.

Mr. Speaker I believe that referring this back to Alternate Service Delivery Committee with a view to a one year experiment, a one year trial period in which our workers could implement the productivity improvements that have been identified would be beneficial public policy.

It would be beneficial because our workers deserve a chance.

As we heard today, the union representing our workers, CUPE, has been very responsible and very moderate. We heard today from Mr. Mandzuk in delegation, that the union went to senior City administrators and people from the Mayor's office, with an offer to implement the shift changes that are being talked about in this report, earlier this year. We could be operating on this system right now. That was not pursued. Our workers were not given that opportunity. Something fell between the stools. Somebody wasn't very willing to listen to the union, clearly. And now I think Mr. Speaker it behoves us to correct that error, to go back in time, if you will, or to go forward in time, and give our workers a chance to show what they can do.

Everyone agrees on the figures in this report. Everyone agrees that with productivity improvements, the employer and the union agree, that that could save $1 million dollars bottom line. Mr. Speaker, I believe we owe it to our workers to give them a chance to see if they can even, if they can meet that goal, certainly, and perhaps even surpass it. And if they can, why wouldn't we want to do that? I think it's important to keep a window on the industry and some market presence and I'll certainly expand on those thoughts if need be. But I suggest that all Councillors support this referral. It's the right thing to do. Thank you Mr. Speaker.

Mr. Speaker: Thank you Councillor Benham. If you wish Councillor Magnifico you have up to three minutes to say why it should not be referred.

Councillor Magnifico: The points that Mr. Benham has made Mr. Speaker, the productivity that they say that they can save us is not guaranteed. The $1 million dollars saving is just well I hope it works out. He says it could be better than that but it could be much worse than that. We have no guarantees whatsoever.

Yeah maybe later, earlier this year our administration may have made a mistake. Maybe we should have implemented some of those rules they suggested earlier this year. But seven or eight or nine years ago when we contracted out the other half of the City, would have been a great time to start showing us that hey, we can do better. Not earlier this year. Seven or eight, nine years ago, should have been the first clue that maybe the rest might go if we don't pull up our socks.

So yes, I agree. They have put a little offer on the table right now with no substance, but why now? Why not five years ago? Why not six, seven years ago? That should have been the first clue. Be fair to our employees. I'd love to be fair to them. We are going to redeploy every full-time employee back into our system and as far as the part-timers, I can't guarantee them jobs but I'll fight for them and try to help the Mayor's odd hope we give them jobs and I've told the union that from day one. Mr. Mandzuk knows that. I would love to give them all jobs. I'll work towards that end.

Be fair to the employees. What about being fair to the citizens of Winnipeg? The ones that are asking us today to make the right decision. What about the rest of those citizens? They don't count? I think they do.

Mr. Speaker: Thank you Councillor. A recorded vote has been asked for on the motion to refer clause 1 of ASD of May 17th back to the ASD. All in favour of the referral please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Lazarenko, Benham, Gerbasi, Lubosch, Smith, Thomas, Wyatt.

Nays

His Worship Mayor Katz, Councillors Eadie, Clement, De Smedt, Magnifico, Pagtakhan, Steeves, Swandel, Mr. Speaker Councillor O'Shaughnessy.

City Clerk: The vote Mr. Speaker, Yeas 7, Nays 9.

Mr. Speaker: The motion to refer is lost.

Councillor Benham did you wish to be added to the speaker's list on the clause?

Councillor Benham: Yes, thank you.

Mr. Speaker: Thank you. We'll now deal with the main clause. It has been introduced by Councillor Magnifico. So far the speaker's list has Councillor Smith, Lazarenko, Gerbasi and Benham. Councillor Smith.

Councillor Smith: Yes Mr. Speaker. You know we have a split at present. We have half the City done by City forces and half by private. Why the split? Why was this established years ago? It was

established that way purposely so we could have our hands in and know what was happening in the garbage area. If you're not part of it, all you can do is sign contracts and go legally you know and try and force things, you know, it doesn't make any sense. They were wise in making a split back then.

But let's look at the management's claim that there is not, there is a risk of not meeting the productivity goals that the union has suggested, in the *Alternative Services Delivery Business Plan*. Risk of not meeting productivity goals. Let me just quote this. This is incredible. "The current workplace standard is that the work of a crew is done when two full loads are done over eight hours. The workplace culture has always been, has always been one of leaving when two loads are complete no matter how full the loads are. Crews regularly leave before the end of the shift, sometimes by as much as three hours." They'd leave three hours early. That's incredible.

Management has to take the responsibility of this workplace culture, at least part of it. And then to add to their argument to the risk of not meeting the productivity goals, management then goes on to suggest the workers could thwart any effort by voting down the 10-hour shift. The employees have already in an internal vote supported this change. Why suggest that they could turn it down when a formal vote, with a formal vote, is taken except to build up their argument that the private route is best?

And why did we not enact changes that the union agreed to that would save us many dollars in 2005? You just heard Councillor Magnifico say that we could have done that. We haven't. We heard a union representative say, estimate it would be about $500,000 we could have had in the coffers with the savings this year.

And I hope you all heard loud and clear today that Toronto pays their refuse workers more than we do! Why have they not gone the private route? I have not heard of many Canadian cities getting out of the refuse business. A few. I think we should seriously look at what Toronto and other cities do with refuse collection.

And we need an evaluation of the management of our Waste department. I want to say that again. We need and evaluation with the management of our Waste Department. What type of management allows workers to go home three hours before the end of their shift? Maybe we should change our management of the Waste department.

One River Heights resident sent me an e-mail which closes with these apt words "public service does not belong with private companies."

Mr. Speaker: Thank you Councillor Smith. Councillor Lazarenko. And Councillor when you are finished if you could come and sit in the chair a moment.

Councillor Lazarenko: Yes thank you Mr. Mayor. This is why I figured I would speak first because I knew you wanted to speak.

Mr. Speaker to touch on the basis of contracting out or privatization that has been in the works for a number of years now with the City at different, various levels and I have as one made a long-term commitment Mr. Speaker, for the last 30 years that I've always been on the side of the City employees or any workers, people that have a strenuous job, those who are serving the citizens of Winnipeg frontline service that they provide. It's only fair that they be receiving a proper wage and benefits to meet the requirements of what is needed now in today's, today's world. I cannot endorse anything where a private sector would be pay $8 to $10 an hour for an employee to work and expect them to survive and what term effect will it have on the person who wants to retire later on?

Mr. Speaker, I just want to give a little history of what happened in the past about, talked about privatization and the rest of it. In 1989 of July, former Mayor Bill Norrie had moved a motion, or submitted to Council a clause that was dealing with the Virology Lab to build on

the Tecumseh Yard on Arlington. At that time he lost that vote and the Virology Lab, the sod turning took place of that summer by the Mint, because then Jake Epp, the Minister of Health was the one that turned the sod. The elections of 1989 with Winnipeg into the Nineties Group, there is only one of them left here now, were able, and I had said, that they were hood-winked by the Mayor, the Mayor at that time brought that back to the floor of Council in November and a vote was held with the help of Winnipeg into the Nineties, therefore we had our Virology Lab placed on Arlington Avenue and the central yard location that took place at that time, the cost of $52 million.

Some of us, I was one; I felt it was so unfair because we knew that things will happen and we had the concrete and asphalt plant situated in there. The Mayor at that time with his Executive Policy Committee had said no we are going to relocate the concrete and asphalt plant. The union appeared as a delegation in support of that recommendation. And I had said and I have got the Hansard here where I said, you know, this is not going to work; it is not true, it will not happen. Sure enough later on we said to the union that we could not afford to do, to rebuild the concrete and asphalt plant for a cost of $8 to $9 million dollars, therefore now it's gone. Now we're at the sole of the companies that we buy the concrete and asphalt from, because we don't have that plant anymore.

Mr. Speaker, I had introduced a motion back of 1998, of the Indianapolis model of the union getting involved, bidding on jobs. And the city of Indianapolis that they were very successful, the union's participation of putting bids and getting the work. We had a delegation that had come from that City, I moved that motion, I had no, very little support. There was an opportunity even for the unions to participate and to be able to bid on jobs that the jobs would have been theirs. They would have been doing the hiring and the firing and the rest of it. That was a good model, very successful in other cities, but that did not work so that is gone.

When we were proceeding to look at other methods, special operating agencies, New Directions, Reshaping of the City Government, which I did not support fully. I supported majority of the *Cuff Report*, that in itself had said provide better service to the citizens of Winnipeg at the least cost. And we're able to do that. What gets me, Mr. Speaker, is that when you have a corporation that wants to take over garbage collection, whichever department they want to. They are a huge corporation. They are bigger than the City of Winnipeg. They have been given books that we have, our books, financial books, our cost of picking up garbage. The books are open to the private sector. Where are their books that we could look at and say now you are going to, so once we provided the numbers to them, it was easy to say look here's what we're going to do the job at.

Mr. Speaker I as one am not saying that this is wrong, you know, to a point where we're trying to save the taxpayers money. But you have to take a look also of the business that we've been in for over 100 years. You want to have that segment in place that can monitor and to say look, now we know what we can do this business at, and the other side will have to compete. It's easy for someone to say yes, we have a lot of other companies, competition is there, but when there is a monopoly of competitors that are bigger than any other smaller company you may have here in the City of Winnipeg, it's the same thing like when you have the Canada Cement and Lafarge, one company. They put bids into the City of Winnipeg, and I've been on Public Works now 23 consecutive years, and I have seen this come and go, I have seen the applications, I've seen concerns, I've seen others have challenged us.

I remember back in the '70's and you were here Mike at that time. In the '70's we had, I was on the ad hoc committee from the, to yes, I was on the ad hoc committee, I was appointed by Council to take a look at the City's possibility of getting involved in the commercial garbage pick-up. I had the committee formed, we met, we held a file like this. And then there was such a feedback,

feedback you know, from the various industries, we had to back off. Because there is money in garbage, no question.

We goofed ourselves in the past when we went a little hog-wild on the tipping fees and I blame the former Mayor and the chair of Public Works at that time when they allowed, they were laughing at us when BFI had come to us and told us that if you don't stop your tipping fees, the rate you're going, we'll be forced to look for alternatives and they did. We ran ourselves out of business. We were getting a profit of $10 million dollars a year and we went down to three. Now we've got the Rosser landfill site which is private and what happens? We lost the competition because we were not listening to the administration when they told us at that time please don't go in that direction. Those two I just talked about were laughing and said hey there is gold in garbage. Sure there was. And now we are going into this.

I can tell you, that to Council and also what I have said before, when you have someone making a statement that a employee runs to pick up that bag, runs back to the truck to dump it, runs back to get another bag, back and forth, this is today's system, nobody does that. Work and safety have said that no one should be in a position liable to get themselves injured but still they insist on doing this. I have seen them running in the back lanes, hot or if it is cold in the winter. And that kind of a competition, I will tell you that should not be allowed. If we're talking about providing services to the citizens of Winnipeg, to say that we will provide you the services...

Mr. Speaker: Councillor Magnifico moves extension.

All in favour? Contrary? Carried.

Councillor Lazarenko: at the way that we have been doing before, we paid salaries that are equivalent to other cities. We have people that have retired and I'll tell you they've been mighty proud to say that I was a City employee for 35 to 40 years, now I have got a good pension, I can enjoy my life. Compared to some of the people working construction, they land up with getting the Canada Pension, Old Age Pension, that is it and they can't even buy, can't even go out. They say look what did I work all these years? I worked my butt off and I get nothing.

Sure competition, competition with everything, get people to run, get people to go do the work and just say look I will just pay you whatever I think you're worth. And I'm not...I know I have had my battles with the union executive in the past Mr. Speaker, but I am going to the rank and file, the rank and file of the City employees, that have worked. Dedicated employees. We're talking about close to 30, 30 employees. I know some no doubt will be redeployed but the one concern that I have Mr. Speaker that I feel if this would have been laid over for a while at least to give us an opportunity or if the services that we're talking about you phase in.

You do the, the one type of services and do the autobins. Autobins, I introduced them in 1990, implemented them. They were implemented in 1992, they have been my pet and they work and they do provide savings, big savings to the City of Winnipeg. But I could say also Mr. Speaker that the bins are not eliminated, where if this motion passes that we are not going to be operating, we will be owning the autobins but we will not be operating the autobins. So I know that the people will say look as long as they get my garbage picked up they know they will be satisfied. I could tell you that this in itself has to be thought over very carefully but I, Mr. Speaker, want to stand on record that I will not back down for the last 30 years the position that I have taken and I will continue to take that position.

Mr. Speaker: Thank you Councillor. Councillor Gerbasi is next followed by Councillors Benham and Swandel. Are there any other speakers at this time? Lubosch. Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker, excuse me. I do not believe that the information we have been given in the administrative report, fully and fairly

considers all the issues and part of that is not the fault of the administration. Part of that is the fault of our ASD process itself which I believe has some serious flaws which I am going to be pointing out in some of my comments today.

There are, I also think it is important to note that there are wider issues to look at in this decision than simply bean-counting but even when we do just look at the beans we're counting and if we were to really look at them accurately, we would not have any certainty at all that there would be savings here that are significant.

First is the issue of private monopoly that has been raised. Only a few years ago in the City, we did have only one company in residential collection and although people have said there's some home-grown businesses, they do small contracts; they really aren't in the residential collection business. The residential collection business is two big companies that are arms, arms of multinational companies so let's not kid ourselves about that.

We also learned yesterday that both contracts in the north end of the City are held by one company. So there isn't a whole lot more competition than there was before in this industry when we made the decision in '99 not to privatize because there wasn't enough competition.

In another few years there could be changes. This is a market that changes. In another few years these companies could take each other over and we could have a private monopoly and unfortunately Councillor Magnifico said he doesn't understand why that matters. Well, it's fairly obvious they will then jack-up the prices and they will be the only game in town, it's simple. The big players, the current system of public and private protects us from this risk which has been said by others already. The big players in the garbage business clearly have the financial capacity to underbid and to make fair competition impossible for smaller players.

As Councillor Lazarenko pointed out, they have access to our books, they know how much we charge and we don't have access to theirs. We just have to trust them. So the transparency and accountability is not the same in the public and private sector. This has happened in many other cities, these types of scenarios and cities have gone back into the garbage business as a result.

There's also been a high number of criminal cases and anti-trust cases with the very companies we're talking about and this is all contained in the briefs you've been given. It is clear we're not dealing with kindergarten playtime here we're dealing with companies that play tough.

Another point that I, that has not yet been raised in this debate, is our landfill. We make money from our landfill, and being in the landfill business. We, if these contracts are all by the other companies, some of whom own a landfill, what's to make them use our landfill? And what about the revenue that we lose when our landfill doesn't get the business it gets now? Has anyone added those beans into the pile? And then we'll have an ineffective landfill which we better sell because it is not making enough money and then they will have control of that landfill and then they can jack-up the prices for landfill. That's an issue I haven't heard explained.

This is a tough business and I will say it again. We are about to give away any semblance of control the City has over an important public service. And we're ignoring this risk because we aren't really looking at the true costs which I'm trying to outline some of them here today. The other idea that we can just simply get back into the business is ridiculous. I would like to quote you something about NAFTA which I raised before and it has been dismissed fairly flippantly by EPC. More than 60 Canadian municipalities have expressed their concern about the issue, this issue to the Federal government, asking for reassurance that public services will remain in public control, they're concerned about NAFTA, Chapter 11. And Vancouver decided against a partnership with a private firm to

build its water treatment plant specifically because of these concerns.

So this is, you perhaps should do your homework before you dismiss this issue with Chapter 11. It is very simple, under Chapter 11, if these multinational American companies decide that their rights to make a profit are violated by a City policy, they can sue that City and we're talking about municipalities. It's happened in Mexico. We're talking about municipal level of government, not Federal. This type of challenge could easily occur if we privatized it all and then tried to take it back if it didn't work.

Another few points on trying to take it back is that once the City gets out of a business, it is unlikely to be willing to go back in. First of all the start-up costs of maintenance, storage building and staff is obvious. Also going back goes against the grain of the continued pressure to reduce the size of government and taxes. And politically it means admitting failure and how often do you see that? So contrary to the trusting position put forward in the report I believe that this is a significant, significant risk.

It's already been discussed about the workers savings which are obvious that if they've offered them we should accept them. Why aren't we acting on this? And why is our administration not accountable for this? Another point is that by not acting on this it creates an unfair and inaccurate impression that our own workforce is somehow too expensive and obsolete. And by underbidding which the private companies are able to do, this also creates a false impression that it costs much more to deliver these services with our own workers. But we should be looking at the real picture and the real numbers. And obviously the private companies have an interest in us seeing their picture of that with their bids, with their low bids.

Another myth is that there's no impact on the community when a service like this is fully privatized. Well, there is an impact. When decent paying jobs disappear and low wage jobs are what we're left with, this has a negative impact on people's ability to earn a decent living. Garbage hauling is an industry high in injuries and often results in disability. These throw-away workers will not have job security or decent treatment and how is this ethical?

And I differ with Councillor Magnifico we know that those companies use those temporary agencies for a percentage of their staff. We know that these are not permanent stable jobs with the benefits. And if eventually all those companies unionize and start charging those wages then their prices are going to be the same as ours so we aren't making any savings.

The current so-called temporary workers will be out of a job completely. Let's not kid ourselves that they're all going to be placed in jobs. We have stooped very low as a City in our human resource approach when someone can work for us for 14 years and not be considered a real employee and could be considered temporary.

I wonder if anyone in this room would like to work at a job like that for $8 to $10 an hour. I can't see the people sitting around this room or in our administrative boardrooms being willing to do that. These casualties of war as Councillor Magnifico referred to them are people, ordinary people and that's who often pays the price in a war. I didn't realize we were at war with our workers, I thought we were working cooperatively with them as we have for the last 50 years but I guess that's changed.

The lack of stable jobs creates negative economic spin-offs as those people can't afford to buy a house, etcetera, as these issues have been laid out very well. A few Councillors have spoke at EPC about how deeply sad they are and how concerned they are about losing those jobs and how compassionate they felt for those people. And I say to you today if you really mean that, then vote for those people's jobs to remain, please. Your actions today will show where you stand in protecting working people.

(Councillor Lazarenko in the chair)

Mr. Deputy Speaker: Councillor Benham moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Gerbasi: Okay. There is a myth that there will be no loss of control over quality. Just ask Lillian Thomas what's happened in her ward. And when we don't have the trucks and we don't have the workers and we don't have the supervisors to go in and fix all the problems that happen now, we won't have those people. We won't have people to go and deal with disasters like happened in Councillor Swandel's ward particularly. We won't have the staff to go out and be there to serve the citizens.

We're going to lose transparency and accountability. Those contracts are all in camera. You know when we have a contract here at Council, it's in camera, no one can see it. When Council makes a policy decision it's public and open and transparent. If all of our service is under that format, no one will know about it. No one will have the inside scoop on what's happening and that's a dangerous precedent.

I have had huge numbers of calls to my office from people in Fort Rouge and I just want to briefly mention so that they know that I'm speaking on their behalf. I have had about 100 calls on one side and about two on the other from my office so the public is interested in this. I don't think the process has been particularly easy for people to participate. You know two delegations of Council isn't really a public debate and a lot of people didn't know this was happening until it was already here.

So I urge Council to not make this mistake, don't dismiss the arguments that you heard this morning from the delegations, they were true. There is a risk. Many cities have made this mistake and had to pay the costs of going back, and it's a very expensive cost. I don't believe that the costs outlined in this business plan accurately reflect the realities. I think we need to change our ASD process to look at the social costs, to look at the impacts of low wage economies. Those are issues that we should also be looking at when we make these kind of decisions and we have to have a mechanism to deal with low-ball bids that aren't accurate and the lack of transparency that the big corporations are allowed too. Thank you Mr. Speaker.

Mr. Deputy Speaker: Thank you, Councillor. Councillor Benham.

Councillor Benham: Thank you Mr. Speaker and I rise to indicate that I will vote against the motion. I regret that my motion to refer was not approved by Council because I think it would have been the right way to go. And I urge all Councillors now on this round to vote against the main motion and to have the same effect, which would leave in place our workers and give them an opportunity to implement these productivity improvements. So if we as a Council defeat this main motion that is what will happen. It will end up still in the public sector with our workers and they will have an opportunity to see these improvements through and save us a million dollars, save the City a million dollars.

One year ago I ran for election in River Heights-Fort Garry on a platform that included a pledge to vote for contracting out of garbage to save $3 million dollars. I was, I knew that of course, but the Mayor reminded me of that at EPC and I know it's become a matter of interest to the public. For that reason Mr. Speaker, I would like to table the section from my website dealing with that. If I could have that page or someone from the clerk's office, I would like to table the documents and distribute them to Councillors and to the media as well to make sure that it's correct and on the record, in case anybody tries to misinterpret it in the future. When I said I will vote for contracting out garbage services, saving approximately $3 million dollars a year, making it conditional on that saving, which was the number that was bandied about at the time and is still mistakenly bandied about in the media.

But secondly and very important, Mr. Speaker, and this is also highlighted for Councillors, I said I will vote for fair treatment for all current City employees. I

don't view them as casualties of war either Mr. Speaker, I view them as our partners in building a better City. And I view unions as being an absolutely necessary mechanism for employers to deal with their employees.

I have been very disappointed Mr. Speaker at some of the things that have been said about unions in this debate. I'm a former union president myself and I believe that workers, of course, have the right to collectively organize and collectively bargain and I think we should deal with them fairly. I think some people are ending up on the wrong side of 1919 here because they think that union bashing is still fashionable.

Well, it is not fashionable Mr. Speaker it shows a lack of respect and it also shows a lack of understanding of the modern union movement which includes teachers, nurses, university professors and medical doctors. And I suggest to you that every responsible union leader understands that bargaining for better wages and better working conditions takes place in a complex social, political and economic environment in which their actions and their responsibilities are important and they are held to account.

This union, Mr. Speaker, has been particularly responsible and responsive. It has gone into my mind to the "nth" degree to cooperate with this Council, to understand what the policy directions of this Council are and to respond in an appropriate way on behalf of their members, but really on behalf of the greater good of the City of Winnipeg.

The union participated in and co-operated in the exercise that produced this business plan. The result is that the union has said publicly and we heard it again today that they agree with the figures, at least we aren't here with an argument over numbers. So this kind of agreement through involving our workers in the process can be invaluable to us as City Councillors, as directors of the Corporation of the City of Winnipeg because the union has said it will work with Water and Waste managers to further reduce costs and the union also showed I think, some great political courage in linking that with the words "collective bargaining." That takes a lot of courage to say publicly.

They have also indicated that their workers have accepted the principle of four ten-hour shifts a week. We just heard it from Mr. Mandzuk earlier today and we know that the managers in Water and Waste could have started implementing those productivity improvements Mr. Speaker, and we could already have been on our way to saving a good deal of money this year through productivity improvements.

Now, this somehow slipped even though we are told that senior administrators and people from the Mayor's office knew that the union had made this offer, that offer was never picked up. It was never implemented. And now Councillor Magnifico says it is too late for the union, they should have been here, they should have been there. Well they were here, they were making offers and the City of Winnipeg in the corporate sense was not listening and I think Mr. Speaker, that some people of course, simply don't want to listen, sometimes when offers like that are made.

I think that we do have to look at the risks as has been said before here. That the report, I think, greatly overestimates the risks on the part of having our workers continue to do the job. In fact our workers have shown that they're willing to be flexible and that they are willing to implement new ways of working.

On the other hand, the report says very complacently, oh well we can always get back into the business. Well we, it would be very difficult, it would involve high capital costs as well as a tremendous change in political will at that point, as well as Councillor Gerbasi has pointed out, that intangible would people be willing to admit a mistake at that point?

Keeping a market presence I think Mr. Speaker, is very important. We heard from Mr. Mackling, a former Minister of the Crown earlier today about the importance in the St. James context

before Unicity, of keeping a window on the industry, of knowing what it costs. Councillor Magnifico says he doesn't understand that. What would I have meant by staying in the business or we won't know what a fair price is for garbage?

Well I'm happy to explain that to Councillor Magnifico. That is that we would be collecting garbage. We would know the unit cost of collecting garbage and we would know if we were being snowed by the private contractors which I submit is one of the greatest risks associated with this. That risk is completely downplayed in the report from the Winnipeg public service as being of no concern at all. Everything will go on, we will have perfect competition, Adam Smith is reborn, we live in a perfectly capitalist world in which everybody competes.

Well it's just not true Mr. Speaker, and everyone around this table knows that that's not true. Bigger companies have greater clout. They can take losses and absorb losses for a short period of time or a fairly long period of time in order to drive competition out of the industry, in order to charge higher prices later. Everyone knows that's true, and in fact even Adam Smith would concede that that's true Mr. Speaker. So I don't know why Councillor Magnifico would miss that point.

I think it's a, Councillor Magnifico again has said over and over again, well the union had its chance and so on. The fact is the City had its chance to accept the offer made by the union, the City didn't do that. We as City Councillors have a chance to right that. We have a chance to say to our workers okay, show us what can you do, save us a million dollars. And if those savings haven't materialized a year from now, we as Councillors could revisit this issue quite easily before the October 2006 election.

Mr. Speaker, I urge all Councillors to join me in defeating this motion, giving our workers a chance, saving taxpayers a million dollars or more a year and again without restricting in any way our future freedom of action. Thank you Mr. Speaker.

Mr. Deputy Speaker: Thank you Councillor. Councillor Swandel, you're next.

Councillor Swandel: Thank you Mr. Speaker. I guess I will start by saying that the status quo clearly shows us that this is broken and it's severely broken. We have a system right now that not only abuses taxpayers but I feel it abuses workers. We have workers out there who under our current agreements end up going to work in this perhaps one of the most gruelling jobs in the City of Winnipeg, and there is no sort of natural progression for these workers. Some of them end up staying there for a very long time and hurting themselves and it's part of the productivity problems that we have in our own particular model right now, that the workers get broken down because that's the process that we have.

In fairness to taxpayers the other side of this equation, we have heard a bunch of numbers bandied about and I have crunched these numbers six ways to Sunday, I've looked at other cities and what they have done. At the end of the day I'm confident in saying that I believe contracting out of garbage will save the City of Winnipeg between $1.5 and $2 million dollars. Somewhere in that range. I can't narrow that down any further but it's enough to put me in a position where both in fairness to workers and in fairness to taxpayers, I will support the contracting out of garbage.

Further in fairness to workers, I believe that we have a particular issue that I find quite bothersome. And that is the length of time that some temporary workers are allowed to stay in their positions, without being considered as permanent employees and without getting the benefits that I feel they should be entitled to, including protection in the workplace.

Well I may be supporting this recommendation and this motion today, I won't be supporting future contracting out if those temporary workers who have lengthy service in the City of Winnipeg are not treated with the respect that they should be treated with. If you've given 14 years service to this City and we don't

have a mechanism that we can show respect to you, there is something terribly wrong with the way we conduct our business.

I have a great deal more points that I could make on this matter but basically I will end on those two points out of fairness to workers and fairness to taxpayers, I will support the contracting out of garbage in the south end of Winnipeg.

Mr. Deputy Speaker: Thank you Councillor Swandel. Councillor Lubosch you're next.

Councillor Lubosch: Thank you Mr. Speaker. I'm not going to be here to dispel myths. What we really need to do is decide on what's best for the greatest common good. And this includes the citizens of Winnipeg and our employees and the overall public service.

We need to base our decision on principles. And these principles include the whole spectrum, not just the $2 or $3 million dollars that we might speculatively save. To bring it to a comparison that people might be able to understand a little more easily, saving $1 or $2 or $3 million dollars in the context of our two-year billion dollar budget, is kind of like comparing the savings of a loonie or loonie and toonie in the context of a thousand dollars. Now granted, the loonies and toonies add up but you really have to weigh the cost of trying to skimp and save this thousand, pardon me, this loonie or this toonie in the context of this thousand or this million or $2 million or $3 million in the context of the larger billion dollar number.

The fact is Mr. Speaker there are significant risks to both sides and to some degree they've been articulated in the business plan. The internal improvements Option 4 in the business plan as developed by the administration, highlights risks that relate to productivity goals, too few staff showing up for work, the risk of non-acceptance of a ten-hour shift, the risk of refusing overtime, the risk of fleet costs, etcetera. Some of these Mr. Speaker are not just risks within the collective agreement, they're management risks and they are issues that should ultimately be addressed by management. Management within the service, and senior management, it's not just enshrined in the collective agreement.

In fact Mr. Speaker the entire risk mitigation section is very skimpy. There's disappointingly little research and analysis and the entire risk mitigation section concludes with a premise that you can only achieve the changes through a major change to the collective agreement and that one suggestion might be associating pay with productivity, in the same way that the private sector has been basing its pay model. But ultimately it, it cops out by saying that none of this can be achieved anyway. And in the context of a 75-page report, I would have expected a little more than three sentences dealing with the most, the most significant topic that has ultimately, ultimately created this issue in the first place.

I'm very frustrated Mr. Speaker because the report, this debate, this entire process, the meetings that I have attended on the joint Council CUPE and the Executive Policy Committee, it has created more unanswered questions than it has answered. We know that the employees voted to change back in February. We don't know why this information was not shared with the rest of us. Why the employees wouldn't have been allowed to proceed to start trying to improve the quality of the service.

We only, we can only surmise that the fix was in a long time ago and that this is a fait acompli and that this debate and all the meetings that I have attended and all the work that I have done has been for nothing. And that really frustrates me, for somebody who has been around here nearly 11 years. Not the first time I might add, but I'm hoping that eventually it won't happen this way anymore. It seriously undermines this Council. It undermines us as a government and as an employer.

And it was interesting to hear Dave Angus speak today about competition in the private sector. Well, hello, this City is also competing against the private sector

in terms of getting employees to work for it. We compete as any other employer does for the best, most competent employees, whether it's in solid waste or whether it's in community services or whether it's in corporate services. The fact is doing business like this doesn't provide us with a lot of credibility. It doesn't put a lot of faith in our system and publicly it really looks bad.

This fall would have been the best opportunity to address all of the risks that have been highlighted by the administration. All those risks that lend themselves to a collective agreement change would have been addressed while we sit down and renegotiate the positions of 5,500 or more employees. And to throw the gauntlet down in the sand today with this move for the sake of 50 positions, it doesn't make a lot of sense to me. We're not just throwing the baby out with the bathwater here we're cutting our own throats and we're losing this opportunity forever.

I'm very concerned Mr. Speaker, that we know the risks associated with contracting out. I was around when we contracted out garbage collection, I was around when we contracted out Handi-transit and I know those costs have gone up. And we were lulled into complacency, certainly on the solid waste collection side, believing that we were getting an unbelievable deal, we didn't know how they, it's the same story. It's like Groundhog Day here. We knew that we were getting an unbelievable deal and we didn't know why and a year or two later they came back with an 80% increase right across the board. Every bid came back significantly inflated and we didn't have a leg to stand on because we had lost our window on the industry.

And this, this concerns me. We only have, we only have a potential savings estimated for the first contract, four years, but what happens then? I think we're likely going to see the costs at par or even a little higher because we're going to be a very secure customer.

We don't have an HR plan. There are some tacit reference to a plan that is being developed in the minds of senior administration but certainly we have nothing on paper. I'm very concerned about the redeployment of the permanent staff into a culture that they haven't worked in, a culture that's going to be very foreign to them in other areas of our public service.

And as for the temporary staff, I feel really badly about that. They have absolutely no security here and anybody who we consider temporary who has worked here for a year or 15 years doing the service of picking up garbage, the most important public service function that this City has done for a hundred years, to not treat them with the utmost dignity and respect and consideration and, well that's just completely unacceptable Mr. Speaker and I won't stand for that. They do the work that very few of us are either able to do or would do.

I think that there is an awful lot to lose by contracting out. We lose a great deal in terms of participating in a sector of public service that we need to be very intimately involved in. We move farther away from a public service sector that has skilled workers and more to a public service that only has people in suits and white shirts. And quite frankly when you ask those people to come out and fill sandbags on weekends or respond to emergencies, you are not going to get nearly the kind of turnout that you do when you have a skilled workforce that is physically fit and able to do that kind of work. And not being able to respond to those types of...

Mr. Deputy Speaker: Councillor Pagtakhan moves extension of time of two minutes.

All in favour? Contrary? Carried.

Councillor Lubosch: and not being able to respond to those kinds of contingencies is very short-sighted in the context of our overall public service Mr. Speaker.

We also ultimately if we do contract out the service we will lose control over a great portion of our service delivery. And by that I mean that we will be, we will be challenging the interests of the

stakeholders and the shareholders of the private corporations, the individual owners. And ultimately if they do collude on prices, and informally we all know that they do, it's been proven time and time again, certainly in this City it has, we are ultimately going to be sticking it to the taxpayers in the end.

So I urge you to consider this decision not by looking at the big number, $2 or $3 million dollars. Most people can really understand this issue if you look at it as saving a loonie or a toonie in the context of a thousand dollars. And quite frankly Mr. Speaker, there is a much bigger picture to be addressed here. And these savings, whether they're internal or whether they're speculated through the contracting out process, are miniscule by comparison to the problems that face this City.

We're continually debating these nickel-dime issues and in this case a loonie-toonie issue that's going to impact and affect 70 people very seriously and we're losing sight of the bigger picture. And the bigger picture is that you know we're burning daylight while we sit around here and debate minutia items when we should be out there rebuilding our City and making it a more desirable place to live.

And I'm all for saving taxes and I'm all for spending taxes if it is done responsibly and appropriately. But I'm not for this kind of chicken you know what debate or really what amounts to a nothing issue. I have received one call, incidentally, from a resident I don't even know where they lived, who says that they support contracting out. But I certainly received dozens of other phone calls and e-mails and letters from people who are very proud of their civic workforce and who want the City to have some hand in public service. They don't want a public service that is just white shirts and suits. They want people out there who know how to work and who can get the job done whether it's that job or some other job that they need to do. Thank you.

Mr. Deputy Speaker: Thank you, Councillor. Councillor Pagtakhan you're next, followed by Councillor Thomas.

Councillor Pagtakhan: Thank you very much Mr. Speaker. I think we can all recognize and I think we can all affirm that change is difficult. Certainly this particular topic has been a really tough one for me. I know I have been struggling with it myself and meditating and thinking about it and talking to lots of people. And I've even gone out in my ward and made some phone calls and if I wasn't swatting mosquitoes I was talking to constituents basically about this issue which is a serious issue and it's a tough issue I think for all of us, and I can appreciate the debate we're all having here today, and I think it's a good one.

I do want to say that when I was talking to my constituents Mr. Speaker, a lot of them were really concerned about whether the autobins were going to be removed. And I was, or whether the level of services are going to be kept up to par, or if we were going to get rid of our solid waste staff. Or what the magnitude of the savings were if there were any savings at all. And if we would lose control of our operations.

And somewhat in those discussions, as the discussions ensued Mr. Speaker, our autobins in fact aren't going to be taken away and so I applaud you, Mr. Deputy Speaker for fighting for those autobins, they're a real Godsend within the north end of the City and the areas that they are in. People love them, I know that and we should be applauded for that. So the autobins aren't being removed Mr. Speaker.

In terms of the level of service, the business case as produced by our management of Solid Waste is a good one. The level of service is going to be maintained, maintained or better. Are we going to get rid of our Solid Waste staff? Well there is a redeployment strategy for the permanent staff and we're going to be respectful of the collective agreement for the non-permanent staff.

What is the magnitude of the savings people are asking? Well how much savings are we actually talking about here? We're talking in the neighbourhood of $2.5 to $3 million dollars. That is a

significant figure Mr. Speaker and there is a significant opportunity for us to redeploy the dollars into areas that need it the most across this great City.

And finally are we losing control of our operations? No. We have a Manager of Solid Waste. We have a Director of Water and Waste. Control is still within the City of Winnipeg. And today I looked up in the dictionary, the Oxford English Dictionary, privatization. Privatization, the definition is to hand over ownership to the private sector. We're still maintaining control. We're still maintaining ownership of these operations.

And so with that I would like to thank Councillor Magnifico and the ASD Committee. And our Solid Waste department, through Dan McInnis and all his team and to say I will be supporting the recommendation coming out of ASD.

(Councillor O'Shaughnessy in the chair)

Mr. Speaker: Thank you Councillor Pagtakhan. Councillor Thomas.

Councillor Thomas: Thank you. I've been working on this issue ever since I got on City Council in 1989 because the Councillor who represented the area before me supported contracting out in his area with the idea that the south end of town would be picked up by City crews and the north end of town would be picked up by contracted out crews. And I have to let you know some of my frustrations in dealing with that because ever since that time I have appeared on so many occasions, I don't even know if I could count them up, at Public Works asking, begging to be let back in. Saying that if somebody else wants to have their area contract out, please don't let it be mine.

There have been a myriad of complaints. First thing was to, I heard somebody talking about getting control. The first issue that I had to deal with was the fact that complaints were not being kept. When people phoned up, they were simply being referred to the contractor. We were not keeping complaints, registered complaints of the service. It was just moved right on to the contractor. It took three years of fighting to get people to actually keep the complaints so that we could figure out what was happening to the quality of the service in the north end of the City.

Whole streets were forgotten again and again. If there was a heavy snowfall, if there was some other things, you can anticipate that that might be a problem, but in the middle of summer? Let me tell you, that it was my street on more than one occasion that had it so I know, so you're not going to tell me oh they didn't put the garbage out till late. No, no, no. They made the mistake of missing my street when I know who every, where everybody's garbage is and when they put it out. I see them when I'm going to the back lane. So it was not a mistake by the residents. It was a mistake by the contractor. And that happened on several occasions. So when other areas of my ward phoned up and said their street was missing, I believed them. Because I know it had happened to me.

Refuse was picked up late, sometimes, sometimes two days late. And people weren't keeping those records. There is a record of the number of the times that I appeared before Public Works Committee. I got so frustrated with the lack of understanding that I encouraged my residents to write me formal letters so that I could take and bring the letters down to Public Works Committee so they could see the nature of complaints.

There was one woman who happens to be on a corner and because of it's a T-intersection she can't put her garbage out behind her house, she has to put it beside her house. And again and again and again the contractor had to be phoned and informed of where the refuse was that because he changed his staff from week to week, because he picked them up at the local work-for-a-day centre, because people were not aware of what job they were supposed to be doing, she was left out again and again. City crews had to be called on several occasions to my area when the contractor was consistently behind. Who are they going to call now? Another contractor? I think

that will cost us more money. Oh, where do I begin? North of the river quality of service not very good.

Cost of service delivery. We are not talking about $3 million dollars here. We are not even talking about $2.4 million dollars. And if you subtract the savings that the workers have agreed to implement that would bring it down to $1.4 million dollars. But we're not even talking about that. Because estimated if you look at your clause very carefully, estimated in the savings is the cost that, of selling-off this equipment. When we sell-off the equipment that is one of the ways we're going to make some money. One-time revenue does not and should not be used for ongoing expenses.

And then there's the cost of when you get in, contracting back in because ask the City of New York what happened when they contracted out. Prices went up and up and up. So high that they had to say to themselves stop. We're getting back in the business. They had to buy refuse trucks. They had to buy all sorts of equipment. They had to hire all sorts of people. They were so sorry they got out of delivering, of picking up refuse. They were so sorry they got out of the business. But it ended up still costing them less to get back in than it was to continue with contracting out refuse.

Where do I end? I guess the thing with all these things that I'm talking about which is the poor quality of service, the lack of savings to, to our bottom line, the anticipated actual increase to our bottom line. I think the thing that most concerns me is what's going to happen to those 70 employees. Now I know what's going to happen to some of them because they are permanent staff but I am in no way comforted of what's going to happen to this temporary staff.

How can one be temporary and have worked there 14 years? I don't understand that but I guess it happens. But there's no commitment to these, to these people. There is no commitment to them. And I haven't heard anybody say that they will do anything to place them. As a matter of fact, that's one of the ways that we're actually going to save some money and I feel that we owe these people something for their service. For a job that I can tell you most people wouldn't want to do. And that they've been doing well.

I would ask you please to not do this. I have been trying so hard for the past 16 years to get my ward in and now there will be no chance if everybody goes. Thank you.

Mr. Speaker: Thank you Councillor. Mr. Mayor.

Mayor Katz: Thank you Mr. Speaker. One of the first meetings that I had after being elected Mr. Speaker was with Mr. Mike Davidson. And it was probably the first month I was elected and we started off with a very positive conversation. Over the last year, I have had the opportunity to have meetings in my office with Mr. Davidson and Mr. Mandzuk. Meetings at my home and several phone calls. The purpose of this is quite simply that I genuinely wanted to see a continuation of the relationship with CUPE, as well as see significant savings for the citizens of Winnipeg.

And we talked and worked very hard towards that goal. During that, those dialogues I even said listen, you don't have to attain 100% of the savings, just get us close, 80%, 85%, show me something and I will stand beside you. Those are my exact words on many occasions. And I must tell you it's something that I very much believed I could accomplish. I really believed we could make it happen. We had very good dialogue. It seemed we were all working towards the same goal.

Unfortunately what happened in the end was that when there were some potential savings that may have been brought to reality, the bottom line was, no commitment could be made, no guarantee whatsoever. So what did it really mean in the end? And that's how we sit here today.

And I must confess as I listen to what many Councillors are saying, one of the

things that really perturbs me is a half truth or something we call in the north end, a lie by omission. Let me just point out a few of those that I've heard today. Number one NAFTA, heard that so many times today, Chapter 11. And what was told to you was very true. Okay? That Waste Management, one of the five waste management companies in Winnipeg market and the only American-based company, had already used this mechanism in a dispute, very true, with the Mexican municipality. What was neglected was the part that on April 30th, 2004, an international tribunal with the authority to decide such matters dismissed all allegations against the municipality. Waste Management was unsuccessful in their claim. Not that I think we would ever get there but people should put it all on the table.

I'm as concerned about anybody as the people who work for the City of Winnipeg. And I've heard on many occasions about the temporary employees. And I'm concerned about them. But let's just state something on the record. Of those 29 temporary employees, 21 of them have served with the City for less than one year. Eight of them have been with the City for two to 15 years and I think it is incumbent upon us, if this motion passes, to do everything we can. I think that is our obligation.

Mr. Speaker, this discussion is a passionate one for many Councillors and I have heard many arguments for and against. I want to take this opportunity to address some of those arguments, particularly those expressed in the letter to the editor in both our papers in the previous week. Mr. Speaker opponents of the ASD motion cite many issues, loss of jobs, loss of control and loss of wages. Councillor Gerbasi shared these views with EPC and the media over the past week.

To follow Councillor Gerbasi's logic, if you can call it that, City Council should not only halt this policy, but exhaust all avenues to find other businesses to get into, because the economy and the community cannot survive without us. That's a pretty serious statement. I would certainly hate to see that happen to the City of Winnipeg. So to prepare for this conversation, I did some research and I learned some shocking things.

Do you know that the private sector is everywhere in Winnipeg, doing all manners of things from selling cell phones to cars and making everything from clothes to homes. Surely that can't be true. Surely our citizens can only manage to shop for clothes because the City operates a chain of clothing stores to keep them honest. Clearly there are cars on the streets because City Hall operates a group of auto dealerships to make sure that prices don't go too high. In fact I double-checked with many people I met over this weekend. It turns out many of them have been able to purchase and enjoy all sorts of services without any involvement from the public sector whatsoever. Unbelievable!

And it gets worse Mr. Speaker. It turns out the private sector owns buildings all over the City of Winnipeg creating all sorts of jobs and paying approximately $118 million dollars in property taxes to support the operations of our City. Not to mention the taxes paid by those who own their homes, thanks to jobs provided by the private sector.

For example, I can go out and purchase a pair of flip-flop shoes, that's what these are, flip-flop shoes, and so can you Mr. Speaker. In any color you desire of course, maybe your wife would appreciate these. And you know what? I can get them at a very competitive price and without the City of Winnipeg owning and controlling a flip-flop shoe store. Don't need it. So let me assure you Councillors that concerns over the public sector being necessary to ensure trash is picked up are totally ridiculous.

Bare in mind we've been doing this for years in the north end of the City with no problem at all. I would also point out that Councillor Gerbasi is the same Councillor who lobbied EPC against removing home-based business licenses just last week because it might give them an unfair advantage over other businesses. Perhaps somewhere in her ward there is

a fearsome multi-national waste collection firm operating in someone's living room just waiting, waiting to corner the trash market in Winnipeg.

Pardon the pun but this is rubbish. The fact is that five, yes five companies are bidding on the rights for the businesses we already have. I'm sure they will compete for the rest of our business too and our taxpayers will be the ones to benefit.

I am absolutely ecstatic that Councillor Benham decided to table what he basically presented to all the voters in Fort Garry, in River Heights, in Lindenwoods, that he was "I will vote for contracting out garbage services saving approximately $3 million dollars a year." I asked Councillor Benham why he flip-flopped on that. The answer was quite simple at EPC, it's not saving $3 million dollars, it's saving $2.5 million dollars. Is $2.5 million dollars not…

Mr. Speaker: Councillor Eadie moves extension.

All in favour? Contrary? Carried.

Mayor Katz: a lot of money today with what we are facing? That is the most ridiculous situation or comment I ever heard in my life.

Some Councillors are also worried about the loss of City control. Well let me assure you the City will retain complete control over these services because the City will set the terms and approve all the conditions of the contract. Those contracts are usually six years long by the way. How can you possibly have any more control than that?

Last but certainly not least, I would like to address the only legitimate issue that opponents have raised, the impact on jobs. Some Councillors have expressed some disappointment during this debate that we could simply not reach a better deal with our own unions, our own workers, to save money on behalf of the taxpayers. I would have to agree with them.

I would much rather work with CUPE to make Winnipeg a better city but let's remember there is a process in place through the collective agreement we have with our CUPE workers. We have carried out redeployments in the past; we will do it again in the future. The process is designed to be fair. It's designed to see the CUPE staff get comparable work. It has worked in the past. It will work in the future.

Winnipeg has to be more competitive. Winnipeg has to lead not follow. We need lower taxes not more expenses Mr. Speaker. We need to find ways to save money and preserve service. This is an opportunity to do just that Mr. Speaker. There are 15 City Councillors here all with ideas on how to spend money. And since we are talking about saving millions of dollars why not take a moment to talk about some of those. Some Councillors here lobby hard for things like arts funding and housing funding, iniatives that soak up millions of dollars. Where do we find that money?

Some Councillors are convinced we need a rapid transit system and we need it right away. Personally I am prepared to wait for the Task Force and personally I believe that what we need to do is understand that we cannot continue to spend money and freeze taxes without finding ways to provide quality services for less money. This is that kind of iniative Mr. Speaker and I support it.

Mr. Speaker: Thank you Mr. Mayor. Councillor Eadie.

Councillor Eadie: Mr. Speaker I appreciate all of the comments I've heard. Certainly the intervention from the Mayor, he made some points that I'm not going to repeat with regard to the temporary staff situation and as well the, the information, or the concern that was raised with regard to NAFTA. So I'm not going to get into that because I too had that information.

Mr. Speaker I want to say in this particular debate that I don't, some comments have been made about we shouldn't be approaching this with some sort of an ideological basis and I don't believe I'm

doing that Mr. Speaker. I haven't tried to either politicize it or make it some sort of a partisan issue or indicate that this is a left versus right issue because I don't believe it's that. But it is a case Mr. Speaker of looking at a business case. It is a case of doing what we believe in our hearts and minds is the right thing for our citizens at this particular point in time. That's, that's really what it is.

I had a few phone calls and some e-mails and what have you from some of my constituents. A couple of months ago when this report was first tabled at the ASD Committee Mr. Speaker, indicating to me and these were my own constituents because I was, you know they told me where they lived but they didn't think that this service should be contracted out because they were quite pleased today with the level of service, our garbage collection service, they were getting.

And when I got back to these folks, or talked to them, or responded to their letters or e-mails, I agreed with them. That the service we are getting certainly north of the Assiniboine River is very good service. I get very, very few complaints about refuse collection in my district. Even and then I reminded people, or let them know, that service has been contracted out on our side of the river for a long period of time. The transition from public to private was so seamless that I don't think anybody really noticed the difference.

And Mr. Speaker when I, when it was still a public collection I used to get a complaint from time to time from residents about a particular service or lack of service, and I would deal with the administration and over time it would get corrected. Today I get a few complaints from time to time where something has gone wrong, where service hasn't been up to par, or somebody has been missed, or a cavalier attitude. Again I go to our administration and they deal with the contractor and eventually the problem gets fixed.

I don't have the, I can't share any horror stories in the same manner that Councillor Thomas has Mr. Speaker, because I haven't had those kind of issues. But I certainly have had from time to time complaints when it was on either, in either collection service, they get resolved and life goes on. But I get very few complaints ever about garbage collection service in my district. And that's a good thing.

You know it leads me to a point I've been wanting to make in this debate Mr. Speaker and it's a point I hope the media are listening among other people because since this report was tabled, the term privatizing has been used to describe it. Privatizing is not what is in front of us today. We are not privatizing. We are recommending contracting out collection of refuse south of the Assiniboine River and there is a big difference, Mr. Speaker.

Contracting is to enter into a formal agreement with someone. We the City will be entering into formal agreements. Privatizing is having no input at all into the service. It's confined to persons or groups but not the public or government. And that is a big difference. So it's not privatizing. That's a nice word to use sometimes when you want to scare people or maybe it's, maybe for some our friends in the press gallery, it's easier to say than the two syllable word of contracting out, or the double word of contracting out.

But it's contracting out we are talking about today. Just as was done north of the Assiniboine a few years ago and this is what is being proposed for south of the Assiniboine. In the contracting out situation the City as a government still owns the service. That's a fact. The contracts are with the City. That's a fact. The terms and conditions of those contracts are owned by the City. The service standards and all of those issues are owned by the City. The performance and the enforcement of same is directed by the City. The legislation with respect to our contract, or refuse collection services is owned by this City Council. It's ours. We own it. We're not giving it up to anyone. The payments to contractors come from the City treasury for work that has been performed

according to the contract that is owned by the City.

That's contracting out. And we own the service, we make the rules around it and we enforce them. That's our role as the owners of the contract. And if the contractors don't do some of their job in accordance with the contract Mr. Speaker, they don't' get paid. So that is a major difference. It's contracting out. We own the service. We control it. We set the standards. We, we, we monitor the performance and we implement enforcement measures if performance is not up to our standards.

Have the costs gone up? Sure costs may go up Mr. Speaker that is a risk. It's always a risk. But Mr. Speaker our City costs have not stayed the same as they were 10 years ago, 20 years ago. Our employees aren't getting paid today the same money they were getting paid many years ago. Our costs as a government have gone up. Everybody's costs have gone up Mr. Speaker. That's part of being in the business, whatever business you're in. Yes costs may go up in this area in the future. But costs have always been going up and that's always going to happen.

As far as the City as an employer is concerned Mr. Speaker, I, I'm not and I don't ever subscribe to any of the words that some commentators may have used that, well who cares, we're only dealing with City employees, or fat-cat City employees, and all that. I don't like that kind of language. I've never considered our employees in that vain at all Mr. Speaker. All of the, all of the employees who work for our City are good people.

When I first came here Mr. Speaker there were nearly 17,000 employees for the City. Today roughly 9,000. But in all the changes we've make as a government whether it's New Directions or all of those other issues we've had to implement in order to reduce many of our costs, I think the City as an employer has been a very fair and a very generous employer. We don't believe in spilling blood on the floor when we make changes to our employment conditions or with the way we do business. We always try to treat our employees as humanely as we possibly can. I believe in this instance if this is passed today that the same high standard of caring for our employees and trying to ease the transition for all of those employees is going to be upheld because I think that's the kind of good employer we are as a City government.

So Mr. Speaker this is, I'm supporting this particular recommendation. There's, when you look across the country there are at least 21 large municipalities from Charlottetown to Greater Vancouver who have contracted out 100% of their refuse collection for many years. Somebody said well some cities somewhere are regretting that mistake. I'd like to know where they are.

Mr. Speaker: Councillor Lazarenko moves extension.

All in favour? Contrary? Carried.

Councillor Eadie: I'd like to have the name. I'd like to know that so I could follow up and look into that more closely Mr. Speaker. But I'm in tune with many of our municipal colleagues from my past experience with FCM and you know, I don't hear those kind of complaints when I talk to my counterparts across the country who have contracted out the entire business for a number of years, to the satisfaction of their residents.

So I believe Mr. Speaker that our residents south of the Assiniboine can be equally as satisfied with their level of refuse collection service once this change is made as have the residents north of the Assiniboine, certainly the residents that I serve Mr. Speaker.

So I have no hesitation in agreeing with this particular recommendation. It's time has come. There's many changes in the business in the last 10 years and now it's time to take advantage of those changes I think for the good of all our citizens and that's why we are here.

Mr. Speaker: Thank you Councillor. Councillor De Smedt.

Councillor De Smedt: Thank you very much Mr. Speaker. I will be very, very short. I think I would like to debunk a shibboleth here if I can. People were very concerned, who really didn't want to support this initiative that we are going to set ourselves up for a great monolith organization to take over and we will be facing ultimately some price gouging. And after all we will not know how much profit they are making. Surely I need not remind everybody that you know governments don't get into profit analysis of the private sector. We enter into contracts. We purchase devices and services, all sorts of things. And of course we do our own due diligence. The shibboleth of course is that we're going to be subject to price gouging and a great monolith of course is not true.

Now some of you were around, most of your were around in 1999, when we did have this report on considering, or to consider an alternate service delivery model or contracting out for waste, waste services. I was chair of Public Works at that time. And indeed the analysis in '98-'99 suggested that there was a monolith out there. There was a significant one deliverer of private services that was North American run and North American wide.

But times have changed. That is no longer the case in Canada. It is no longer the case in this City and in other cities in Canada. That monolith has been broken up. The major deliverer of waste services in this country is a Canadian corporation. But there are others that are willing to get into it and probably one of the easiest businesses in the world to get into; it is waste product services delivery.

We recognize that there is some human resource issues. I'm convinced by the analysis that we've done of the business case that we would precede and I'm convinced that the material that we received from the department and the assurances respecting our transition, in the human resource context, will be fair and equitable as you can possibly make it under the collective agreement that we have. And obviously we will be looking for other opportunities to provide those others, who are in the temporary, in a temporary construct with our department, opportunities to move elsewhere.

Would it be perfect? I gather not. But I don't think it ever will be perfect in this City the way we are set up simply because of the climatic conditions that we face. We've got grass-cutting in the summer, cleaning of streets in the summer. We've got waste delivery all year round. There are many other workers in this City that face only temporary work. How we got there with precision I'm not absolutely certain except that we know that we need more services at one time of the year than others.

The business plan is solid. It makes sense to get into cost avoidance in the years ahead so that we can deliver services elsewhere. Again it isn't a perfect solution. It never will be when we're dealing with human resource issues but I always come back to a case of fair balance. And this is a balanced reasoned approach to contracting out services and as both the Mayor and Councillor Eadie so well said, we set the standards, we will have oversight on performance, we will be able to challenge performance inadequacies and contracts can get changed.

And I suppose if we have to look like New York in X-number of years time if we had to I suppose we could do that because I did hear the comment that even though New York had to get back in it, it was still cheaper than paying the private sector. It's a rather interesting comment. So maybe the risk analysis that we have here today also shows that this makes an awful lot of sense on balance for the rest of the citizens of Winnipeg.

In the future will there be other contracting out opportunities? I'm not certain. I just don't think we should be afraid of it. By the same token, I don't think we should be afraid of providing an applause to the people that work for the City, with our thanks, and those who are carrying on in many other areas, and say that we do have a true partnership here. Is it perfect? No. Is your marriage perfect? Probably not, but it's close. And I think we're all close in this particular

respect. And some of us aren't married and all I can say is that I think we've gone a long way from 1999 to 2005. The time is right. It makes sense and let's try and find all the opportunities to move ahead. So I will be supporting the clause. Thank you.

Mr. Speaker: Thank you Councillor. Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I rise not to support the clause. Just let's clarify the debate here a little bit. This is about the privatization of our garbage services. We are not simply just contracting out here. We are privatizing garbage. If we were, you know, let's not get into the technicalities of this contract or that contract. We're privatizing. If we were not privatizing why does the City, why are we getting out completely? Why has the City not having the option to be able to bid against contracts? Why do we not keep at least some of us in the business? This is a privatization of a City service which we haven't seen in a long time in this City. And that's where we're going.

Now you say don't worry there's lots of safeguards. Well I guess I could maybe feel a little bit confident. I believe and I trust in small business and I believe Mr. Speaker and I trust in the working people of this City. But what I don't' trust, I don't trust big multinational corporations and I don't trust big government even more. They scare the heck out of me. And I guess when I see the history of this City and how we've dealt with garbage in the past, I'm a little suspect about how we are going to handle this now.

When in 1995, we decided in a rush to go into the recycling business because that was an election year, to go into the recycling business citywide, we wiped out little guys offering recycling services in the City. They ended up taking us to Court and suing us by the way. But we wiped them out without even any thought to what the impact on them.

In 1998 we decided to do the same thing with garbage going and giving our contract, private contracts to one contractor, which is quite right, as quite rightly pointed out the north side of the City, one contract, one contract, oh two contracts, same company. Little guys here, Manitoba based, Winnipeg based, pushed out of the market.

I read the report Mr. Speaker and I cite the report. It says here that in the south end of the City one tender would be issued. 63,733 dwellings in the south area of the City. We're not even dividing that. We're just going to go one massive tender. And this would deal, and they're saying well we can't go into two because if we go into two the existing tenders of 42,000 in the northern parts of the City and 32,000 would be considered small so we can't do that. Yet, when it comes to the autobin collection system, one tender will be issued and it's 30,476 single-family houses.

The report contradicts itself Mr. Speaker. Where are the safeguards we are hearing about? We could do this. We may do this. We should do this. Why is it not in the report? The safeguards that we've heard about, that we've been talking about to ensure that one company cannot go and grab every contract in the City. I don't see that in the report being policy Mr. Speaker. I don't see anywhere in the report to ensure that in the future we will always have separate tendering, separate contract areas to tender, to ensure that one company cannot grab all the contracts as has happened in the past with regards to recycling. I don't see any of that here in this report Mr. Speaker. And I don't see the safeguards that have been talked about.

I hear a lot of talk with regards to what money can go towards and that the estimated $2 to $3 million dollars. I agree with the Councillor from St. Norbert on his point about it's probably closer to $1.5 to $2 million dollars if that. That's at this point. That's this snapshot right now as we speak. The minute we are out of the business who knows what the costs are going to be because we don't have, we're not going to go back in business and we know the costs are too high to get back into the business once we are out of the business. The Tecumseh Yards that

Councillor Lazarenko rightly pointed out with regards to the asphalt plant, we got out of that, we're not back in the business.

Mr. Speaker we have an opportunity here to ensure that there is a balance with regards to how we do our contracts. We now have contracts in 50% of the City private sector, 50% in the City public sector. We hear a lot of promises about monies going into all sorts of areas that this, these $2 to $3 million dollars. If there is $2 to $3 million dollars to be saved here Mr. Speaker why is the report not saying $2, $3 million dollars are going to go towards roads and bridges? It doesn't say in the report. It doesn't say in the report $2 to $3 million dollars to go automatically to increase our Police budget for hiring more officers. It doesn't say that in the report Mr. Speaker. It can't say that in the report because it says it may save $2 to $3 million dollars. It should save $2 to $3 million dollars. Why don't $2 to $3 million dollars be going towards improving services Mr. Speaker? It's not happening. It's not happening.

I can tell you what's going to happen and what this really represents Mr. Speaker is nothing more than a massive transfer of wealth. A transfer of wealth from insuring that people who are now getting a living wage, a decent wage with benefits, through $2 to $3 million dollars in the City to who knows what it is going to go towards if it does come in, which I'm suspect.

But if it does come in we now we know have an $18 million dollar shortfall according to Councillor Clement and we know all that to continue to phase in the reduction of the business tax across the City is another $2 to $3 million dollars it seems every time we want to do that. Or maybe Mr. Speaker it will go to backfill the $6 million dollars we cut out of our Capital Budget, historically cut out of our Capital Budget, $5 million dollars from refill streets, $500,000 dollars from sidewalks and another $500,000 dollars from parks and playgrounds. Maybe, but we don't even, even if that that $2 to $3 million dollars goes towards that it won't even make up for that historic cutback in those capital works Mr. Speaker.

Mr. Speaker I think the Committee in a rush to move on this has come to some conclusions which are very premature. And I expressed that a year ago Mr. Speaker when it was only Councillor Lazarenko and myself who spoke and rose at the time, when we saw the report coming forward and we read the report, and we thought this report is somewhat bias right even from the outset without even looking at the issue yet with regards to contracting out the entire garbage and privatizing the rest of the garbage services. We spoke at that time over a year ago raising the concerns that we were not going to be having an objective look at this. That the department had already made up its mind and that EPC had already made up its mind. And that was a previous Mayor, had already made his mind up to move in the direction of contracting out, privatization of garbage.

The report was clear at that time and so how are we surprised that after doing a whole review we're all of a sudden surprised we have $2 to $3 million dollars worth of savings. So I'm saying that the actual process leading up to this report and the actual numbers that everybody is basing their self, their philosophy on, we are going to find $2 to $3 million dollars are suspect because the process from the very beginning had a bent that this was going to happen.

Mr. Speaker, Mr. Speaker I would say that by having the City in the business, in a business which is well known across North America for having a great concentration in the hands of very few companies, having our City in the business ensures that there's a balance, ensures that the private sector will not start shooting prices up, ensures that we have the ability to step back in if we have to.

And as Councillor Thomas rightly pointed out, I have received complaints, I'm in one of the areas and it tends to come in waves depending on when they lose employees because they can't keep them. Or depending on paydays, or depending on holidays. Or depending also Mr. Speaker, on a situation where lets say a contractor loses a contract, another

contract coming in. All of a sudden six months knowing ahead of time, they don't care, their not going to pick-up. Massive headaches. One of the biggest headaches that I've had as a Councillor receiving calls about garbage collection, private contractors.

Is everything perfect on the City side? No absolutely not, probably not. But I can tell you Mr. Speaker that there's accountability there and the accountability is directly back at us. We lose that. You can say that there, that we have a contract and we're going to enforce the quality of service and every, but they've got a five, six year contract and we're going to cancel that on them? We're going to cancel in the middle of the contract? Very unlikely Mr. Speaker. We're going to bend over backwards and do this and do that to ensure that the service is there because we don't want to disrupt the contract because that would be even worse for the citizens, wouldn't it?

Mr. Speaker: Councillor Thomas moves extension.

All in favour? Contrary? Carried.

Councillor Wyatt: So we have to put up with the headaches as they come along with regards to the complaints from the private contractor.

Mr. Speaker there is no balance in this. There is no safeguards in this report to ensure that the taxpayers are protected. If anything, I can see us in five, six years down the road, leading to a situation where we have a lot of very competitive quotes coming in with regards to garbage to ensure that and Council moving it to do something which would be creative and to save taxpayers even more money only to find the City in a more difficult situation.

Let us ensure that there is a balance Mr. Speaker and if we are truly sincere as this Council claims to be, about putting money into roads and putting money into Police protection and putting money into improving services, then let's do it. Why are we cutting taxes? Why are we freezing taxes? Why are we freezing and cutting taxes combined when we know that the infrastructure is crumbling?

I can tell you right now last weekend I was in Vancouver and I could not believe, flying from Vancouver back here to Winnipeg, the difference in the state of infrastructure between that City and this one. It is like day and night. And we're going to be hearing about that Mr. Speaker in about a year and a couple months from now when we go back out to the constituents. And they won't be talking about privatizing garbage, they'll be talking about why aren't you fixing my curbs? And why are you not fixing my sidewalk Councillor and why are you not fixing my lanes? Well sorry we thought we had $2 or $3 million dollars here, I don't know where it went. You know, well I guess it was the business tax cut, or maybe it was the freeze on taxes.

There is no guarantees of that, so let's not wrap our heads around that. Let's ensure we deliver quality service to the taxpayers of this City. We have a balanced system that works right now. The union has found a million dollars worth of savings back in January, identified it for the Mayor and his staff, and nothing was done about it. And we could have acted upon it now and ensured that those dollars were flowing back to the City and nothing was done. The same time as the *State of the City Address.* The promise of privatizing golf courses next. The promise of privatizing the gravel pit next. The promise of privatizing what else next? This is just the first step Mr. Speaker. Those are my words.

Mr. Speaker: Thank you Councillor Wyatt. Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. This is a difficult issue and Councillor Pagtakhan alluded to that sometime ago. The reason it's a difficult issue is one of those, one of the few issues I guess we deal with that have such a direct impact on people and I hope that everybody on both sides of the debates understands that we do take that very, very seriously when human beings are affected. And that is usually the toughest kind of decisions to make.

I want to start off by echoing some sentiments that have already been made and as one of the Councillors who is currently served by the public service in my area this is not an issue of service. It categorically is not. Since my inception as a Councillor it is always been public service in St. Vital. Although yeah there's been problems from time to time, certainly not an inordinate amount of problems and something that is completely manageable. And I can stand here categorically and say Mr. Speaker that the public service has done a good job for me as a Councillor and I think the people in St. Vital have felt very, very well served by the public sector in terms of the way their refuse has been picked up.

This is an issue of cost. Strictly speaking it's an issue of cost and when you deal with issues of cost you have an obligation I think to look at things squarely. And as Councillor Benham alluded to although it wasn't echoed by every single Councillor on this floor, and it didn't call the question, I think Councillor Benham is quite correct. There is consensus I think to some degree on the numbers that we used in this very, very difficult debate. I think people agree on the numbers. I think what we do see here is a difference in philosophy quite frankly.

And I think our public sector representation is CUPE through Mr. Davidson and Mr. Mandzuk who I think have done an excellent job on behalf of their members throughout the course of this debate. And regardless of how this vote winds up going they've done a diligent and strong job for the members they represent. I think that it can be said throughout that there has been some consensus that numbers are different and that this is the debate on a living wage versus whether we can do the job more efficiently and cheaper with a contracting out service. That's essentially what it boils down to.

There has been side issues, like the Chapter 11 issue which I think is an issue that I've looked at and satisfied myself on behalf of my constituents. I don't believe this City is in any peril whatsoever by virtue of the NAFTA agreement or Chapter 11. I don't believe that there's any regulation that actually does exist that would ever force the City of Winnipeg to pay for contracting out services once clearly our prerogative to provide those services on our own if that's our choice. Clearly in a situation where it was ever shown that the price would be more expensive by contracting out, we would have that immediate responsibility to go back to the public piece.

The issue of the Americanization has been one I think that frankly has caused a lot of concern in the community. And I think that was part of the communications package as sent out by CUPE. I don't think it was entirely unfair because the fact of the matter is, there are American players in this market, and that should be said and should be acknowledged. And I'll be the first to say that as a Canadian first, I would hate to see the idea of an American company coming forward and taking over business that is currently done by Canadian companies or Canadian workers or Canadian people. That gives me no comfort at all.

Having said that, it has to be said that what's good for the goose is in fact good for the gander. If we are in fact going to say that we want to allow Winnipeg corporations as they are currently doing right now, to go south of the border to attract, maintain and profit off of business in the American market. If that is something we want to support. If that is something we are interested in doing. If that is something that we think is legitimate we have no option but to open up our market to the same sort of thing coming back at us. There's no debate on that issue. Unless we are willing to stand here and say Winnipeg firms cannot compete with the American market we have no right to say that American firms cannot compete here. And I sure hope that there is some Councillor in some American city who is standing up right now saying the same thing because that is the only thing that is fair and that is the only thing that is just and it's the only thing that's reasonable.

If the monopoly issue was to materialize, I thought it might have manifested itself

already because this is the issue that scares me the most about this as a City Councillor and I consider this. I'm concerned mostly about the idea that there might be a monopoly, and that costs might go up. Currently an area in this City, roughly the size of Regina, Saskatoon, Moose Jaw, Prince Albert combined, are being served by the private sector. Our administration is telling us that there is vigorous competition that seems to be borne out by the numbers it seems to be being borne out by the numbers that this competition exists.

Now I know the response to that is well if we get out of it completely we'll never get back into it. Well the truth is we've already abandoned almost 60% of our market already. If we wanted to get back into that market it would be as difficult as starting up a newly entire market, or almost so. We would have to buy all new trucks. We would have to redo all the re-routing, all of the supervision, all of that stuff would have to be put in place because it doesn't exist right now. So if we were vulnerable then, we're vulnerable now.

I think we contract out the entirety of our recycling service, if I'm not mistaken, we'd be vulnerable on the same basis. That hasn't seemed to materialize either. It just hasn't seemed to have happened. And there may be something that I'm missing but is those are real concerns that exist they haven't seemed to of materialized. I guess as trying to be a responsible steward of the public's money I take some comfort in that, that those things haven't happened. I mean I obviously I'll be the one accountable for it if it does in fact seem to materialize but I can tell people that it hasn't yet and this has been out there for some time now.

Really, the comments from Mr. Mandzuk that resonate most with me and from Mr. Davidson that resonate most with me personally as a citizen, are that they're saying they don't want to pay somebody less than living wage to do this work. That's what I think the real strength that CUPE has been and will be ongoing. And I can tell they way they forward this argument that's the thing they feel most passionately about. And I see that and in fact I agree with it to the largest extent but if that is in fact the case can we not make the same argument for recycling? Shouldn't we be doing the same thing for recycling? I'm certain those people are earning less too.

All the road work that we are contracting out to private firms I'm sure we're saving some money by virtue of the fact that it's going to private firms. I'm sure there's people working in those offices who don't earn as much as our people do. That we do a heck of a lot less but should we be pulling all of that work back in and doing less work? What about the lawyers we employ? We contract out a ton of legal work. We could probably get a bigger in-house staff and do a lot of that work our self. It costs a lot more money I'm certain of that but we could do it. We could do the same thing with engineering firms. The bottom line is when it comes to the living wage argument we have to be very, very careful because it's a fairly slippery slope.

And I guess the way I feel about it is this and the reason I am going to vote in favour of the recommendations I mean, we are going to spend X-amount of dollars every year. Right now our operating budget is around $700 million dollars per year. That's what it's going to be now and it's going to be slightly more than that next year. And we're going to spend all of it. And the majority of it is going to be spent…

Mr. Speaker: Councillor Pagtakhan moves extension.

All in favour? Contrary? Carried.

Councillor Steeves: and the majority of that money is going to be spent on hiring people to work for us to do things. So if we are maximizing the efficiency and the use of our money we should be freeing up money as we are doing right here to hire more people to do things that we need them to do. If we don't need them to pick up refuse, if we can do that more cheaply, I'll tell you what we do need. We need them in graders grading our back lanes; I can tell you that first hand Mr. Speaker.

We need them up in cherry pickers pruning trees, we need them doing that. We need them in those crazy pothole contraptions filling those potholes. We need that type of work being done. We need them driving snowplows. We need them doing those sorts of things.

So I guess when I look at this, when I look at this problem and I look at this issue, I look at the total amount of money we are spending and I do see some opportunity. Because the money we are saving is not going to evaporate into thin air. It's going to be spent. It's going to be spent probably on people that we're going to hire to do things.

I am concerned about the temporary workers here because obviously human beings who are working for us require our care and require our support. I know there's been some comments made as to how we might incorporate those people into our system and I'll be frank. I'm concerned after speaking to our union, after meeting with Mr. Mandzuk and Mr. Davidson that those safeguards aren't currently in place. That we're going to have to do a lot of work to shore that up.

I am worried about standing here and saying okay I'm going to support making sure those temporary workers are going to be supported. But I am willing to do that. I am going to do what I can to ensure to the largest extent possible we make sure that those people have a future with the City of Winnipeg. I'm not going to underscore the difficultly of it. I'm not going to underscore how challenging that sometimes can be in the context of a larger collective agreement. But we need these people. We need people to do things for us. We are suffering out there. I just don't think we need them doing this particular job at the moment. There are other things we need them doing.

Mr. Speaker: Thank you Councillor. Councillor Magnifico summing up.

Councillor Magnifico: Mr. Speaker I think everything has been said. I could reiterate. I mean there are certain, certain issues that people in this room have brought up.

Councillor Smith wants to look at what's wrong with us. Well what's wrong with us is this. We had a 16 day garbage strike the end of last contract and the City barely averted a strike this year. Councillor Smith wants to know why other cities don't do it. Well they do. York, Carlton, Durham, Peel regions, Halifax, Waterloo, Surrey, Richmond, West Vancouver, I mean all these cities have done it you know 100%.

I mean there is a lot of things that are being said here that just aren't true. A living wage, a living wage. These contractors pay their people based hourly or by the ton and average $120 to $150 dollars per shift per man. Is that a living wage? I don't know, maybe it isn't. But they're not getting minimum wage. There is a lot of fallacies that go across this and everybody keeps repeating them as if they want to hear what they want to hear.

The truths are what I've told you. I've researched it, I've looked at it. If you want to make up your own stories go ahead. Mr. Benham, I don't know. I mean how can you have any credibility and demand…

Mr. Speaker: One moment Councillor Magnifico. Councillor Thomas.

Point of Order

Councillor Thomas: Point of order Mr. Speaker. I don't think it's appropriate to talk about him having the truth and other people making up their own stories. There may be a dispute over the facts but I don't think that any other Councillor should have their motives or their things…

Mr. Speaker: Thank you Councillor Thomas.

Councillor Thomas: or their information impugned.

Mr. Speaker: Thank you Councillor Thomas. You can say what you want about you, easy on your colleagues.

Councillor Magnifico: Thank you for bringing that up. I apologize if I put

anybody's nose out of joint. But Councillor Benham, Councillor Benham, he can have these issues, he could be miffed at the Mayor, but I don't really care. But when it comes down to an important decision for the City of Winnipeg and he brings that into the mix because $2.5 million…

Mr. Speaker: You're impugning motives. Councillor Magnifico, please do not impugn motives to other Councillors.

Councillor Magnifico: $2.5 million dollars in savings isn't approximately $3 million. I got a real problem with that. Now there is so many things that have been said here today I'm not going to get into anymore, everybody's heard it all. The realities are what they are, not what you want to believe. You've heard them, so I just hope everybody supports this because it's good for the City.

Mr. Speaker: Thank you Councillor. I think I'll have a recorded vote of this issue. All in favour of the recommendation of the Committee of Alternate Service Delivery please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Eadie, Clement, De Smedt, Magnifico, Pagtakhan, Steeves, Swandel, Mr. Speaker Councillor O'Shaughnessy.

Nays

Councillors Lazarenko, Benham, Gerbasi, Lubosch, Smith, Thomas, Wyatt.

City Clerk: The vote Mr. Speaker, Yeas 9, Nays 7

Mr. Speaker: The clause is carried.

The report of July 18th, Councillor Magnifico.

REPORT OF THE ALTERNATE SERVICE DELIVERY COMMITTEE DATED JULY 18, 2005

Councillor Magnifico: I'd like to introduce the report of July 18th and move for adoption of the Consent agenda item 1.

Mr. Speaker: All in favour? Contrary? Carried.

Councillor Lazarenko moves that Council be now adjourned.

ROLL CALL

Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Katz, Councillors Eadie, Lazarenko, Benham, Clement, De Smedt, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt.

COUNCIL ADJOURNED AT 5:12 P.M.