COUNCIL OF THE CITY OF WINNIPEG
Wednesday November 21, 2007

The Council met at 9:33 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 Browaty.

ROLL CALL

Clerk: Mr. Speaker Councillor Lazarenko, His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Gerbasi, Leipsic, Nordman, O'Shaughnessy, Pagtakhan, Smith, Steeves, Swandel, Thomas, Vandal and Wyatt.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: First what's on your desks now is the Blue Bomber flag and that is to recognize that our team, the Winnipeg Blue Bombers, will be playing in the Grey Cup this coming Sunday. This is to give them support and well wishes. Not only do you come back with a victory cup, but these flags will be returned to you. So now we'll, I'll call…

Councillor Steeves: Mr. Speaker on a Point of order.

Mr. Speaker: Yes Councillor Steeves Point of order. Yes.

Councillor Steeves: I think you've missed another football team that's playing on Friday night Mr. Speaker.

Mr. Speaker: Well you introduce them.

Councillor Steeves: This Council would be remiss I think if we didn't all join together in wishing the University of Manitoba Bisons all the best on Friday night in the Vanier Cup against St. Mary's. University. (Applause).

Mr. Speaker: Councillor Steeves then where are the flags? The Bison flags?

Councillor Steeves: Councillor Gerbasi went to U of W. She'd freak out.

Councillor Gerbasi: I did not. (Laughter).

Mr. Speaker: Thank you Councillors.

Mr. Speaker: We have pages. Simone Jaman from Miles MacDonnell Collegiate presides in Elmwood-East Kildonan ward. Welcome. (Applause).

MINUTES

Councillor Gerbasi moves that the Minutes of the meetings held October 24 and November 7, 2007 be taken as read and confirmed.

All in favour? Contrary? Carried.

COMMUNICATIONS

Councillor O'Shaughnessy moves that the rule be suspended that the communication which was received too late to be placed on the regular agenda be received as information.

All in favour? Contrary? Carried.

DELEGATIONS

Mr. Speaker: Now we get into the Delegation program of the agenda. The first delegation, Chris Lorenc from Manitoba Heavy Construction together with Dave Angus, Winnipeg Chamber of Commerce, to speak on the motion that was presented by Councillor Leipsic and Fielding. Councillor Lorenc you have 10 minutes along with Mr. Angus.

Chris Lorenc: Thank you very much Mr. Speaker. Good morning Mr. Speaker, Mr. Mayor and all members of Council. I consider it a privilege to have the opportunity of addressing this chamber in which I had the honour of serving between 1983 and 1992. And while the topic that I wish to address today is specifically raised in a motion moved by Deputy Mayor Leipsic and seconded by Councillor Fielding, I think it is important to put the object of that motion into some historical context, and permit me to perhaps offer that context.

As a member of Council for the nine years that I served, I believed and

continue to believe that the instruments of democracy are required to continuously strengthen the ability of government to provide good government and good democracy and good policy decisions to the citizens we have the opportunity of serving.

I fought for the introduction of Hansard and we received good support from Council. We have Hansard. It is both a shield and a sword in the context of debates.

I articulated the view and the need for the importance of a treasury branch, independent of administration, loyal to the elected branch of government to facilitate a healthy debate and exchange on issues related to the fiscal matters as between administration and Council, not because of any disrespect or disregard for the intelligence or capacity or the intellect of administration, but rather to ensure that there was an injection of healthy debate.

I supported the notion of establishing a research branch as well independent of administration and responsible to Council for those very same reasons, to give Councillors the opportunity of referring for research for consideration and for articulation of policy options, matters which may not necessarily come from administration or, if they did come from administration again offer healthy debate.

During my term in office I also spoke in favour of increased compensation, pension and severance packages for Councillors because I recognize as many of you do and as many in the public do, that it is a sacrifice for people to give up their careers to come and serve in public office, and one ought not to be penalized because you choose the nobility of public service.

I spoke for and we have the advantage of and have had the advantage of fixed election dates. We don't have that at the levels of Provincial or Federal governments, although that appears to be moving in that direction.

I spoke for and supported the notion of smaller Councils, so that we could have a more tightly knit group government, one that was also resourced and resourced Councillors with appropriate office and administrative assistance in order to discharge their duties as a board of directors and not as administrators.

And I also spoke in favour of term limits. Term limits is not intended Councillors as a measure which is punitive or derogatory. Nor intended to diminish the value and the contribution of service made by Councillors who have been here for years and who will continue to be here for years. But rather, it is a part of a package of an instrument of change, instruments of change, instruments of democracy that I believe are fundamentally important to encourage those many others, those 700,000 others in our community, who may wish to seek public office but are dissuaded, whether we accept it or not, whether we are prepared to admit it openly or not, who are dissuaded from running for office, often times because of the enormous advantage of incumbency. Which isn't to say that there aren't electoral defeats, but they are far and few between.

Remember what kindled your desire to run for public office. You ran for public office because you believed that you had something to offer. You believed that after leaving this chamber, after leaving the responsibilities of this Council you would leave a place better than you found it. Please don't deny that same opportunity. Don't water down that kindling of the many other people who are in the City of Winnipeg who would choose to run but find it intimidating to try and challenge an incumbent.

And so I don't come to you suggesting that term limits is the only answer, that term limits is the solution to all of the problems, that term limits will open the floodgates to new candidates. I am suggesting that as a package, as a series of reform, that what we are doing is opening up the opportunity for those who succeed us, for those who inherit the decisions that we make, to come to this chamber, to challenge the status quo, to challenge ideology, to challenge what is and to offer new directions and new

ideas. And it is for those reasons that I respectfully ask you to favourably consider the motion that is in front of you.

And keep in mind as well, that the motion is intended not to be retroactive. It is intended to commence in the year 2012. It is not intended as a measure of saying that some or all of you or any of you have been here beyond years that you ought to be. It is simply a measure that says henceforth we wish to open the doors to those who choose to seek office. This is an opportunity of legacy for you and I urge you to seize it. Thank you.

Mr. Speaker: Mr. Angus.

Dave Angus: Thank you very much Mr. Speaker. I did promise myself never to follow Chris Lorenc but here I am today. Your Worship, members of Council, ladies and gentlemen. I really appreciate the opportunity not only for us to speak to this issue but I appreciate the opportunity for us collectively to speak about this opportunity around term limits.

And it's important to understand what this issue is about and what it's not about. Term limits is not about the need to replace the current Council. This is not about you. You have served Winnipeg extremely well. You should be proud of what you have accomplished and what we have built here in this City. And for that, because we know it's a difficult job, we are extremely grateful.

And term limits is also not about taking decisions out of the voters' hands. In fact it's very much about the opposite. The implementation of term limits is plain and simply about choice. The choice of voters to choose from a variety of topnotch candidates, all of which have a legitimate chance of success. And it's about choice for citizens of Winnipeg, to pursue the opportunity and privilege of serving the public by serving on City Council.

The enemy, and the issue, and the compelling reason for change, really relates to the power of incumbency and how it stands in the way of achieving an electoral and a municipal environment that's vibrant, robust and flush with new faces, ideas and energy. An environment of fruitful civic engagement which we believe, term limits will help bring to our City.

In municipal politics, due to a number of factors, including relatively low voter turnout, no party affiliation and brand, limited promotional vehicles and resources of the candidates, it is extremely difficult to yet overcome the power of name recognition by incumbents that have had years to develop their profile and to reinforce that name recognition. And it is a real inhibitor to increased candidate participation in municipal elections. This barrier to entry keeps legitimate candidates on the sidelines. It keeps us from the vibrancy that comes with the new ideas and faces and the renewal that is so fundamental in a healthy democracy.

In my role at the Winnipeg Chamber, the privilege that I have at the Chamber is I get to meet a lot of people. I get to meet a lot of Winnipeggers and I'm privileged to meet a number of them. Whether it's through our Leadership Winnipeg program for developing future leaders for our City. Whether it's our high school program engaging the future leaders within our community. Whether it's within the aboriginal community, or our different ethnic communities, or whether it's through the United Way or around the Chamber committee tables, there is a common bond amongst the people that I meet on a day-to-day basis and that's the passion and love for this City.

And there are thousands of Winnipeggers that have so much to offer and many who would cherish the opportunity to serve their community for the pursuit of public service. Term limits is a concrete way to ensure that more Winnipeggers will have the legitimate opportunity to serve. Term limits will send a message that serving on City Council is not a job but a mission. One in which a contribution is made, and that incumbents step aside to allow those that hold leadership aspirations the same privilege, to serve their community.

I urge you to support the implementation of this motion. A maximum of three terms

for City Councillors and a maximum of three terms, 12 years, for the office of Mayor. You know awhile ago, I…

Mr. Speaker: Mr. Angus your term limit has expired. (Laughter).

Dave Angus: Can I just close off? That would be great. Thank you very much.

I had a conversation, I was contacted by a young Winnipegger, a young woman who was interested in public service, interested in running politically and we had a discussion. I could feel the passion. She really cared a lot about her City and we talked about some of the things that she would like to do if she really were given the keys to power. But I had to be honest with her at the time about the uphill climb, about the chances and the odds and the overwhelming odds of her actually being able to sit in your seat.

Today is about sending a signal not only to that young lady but to Winnipeggers period that this is an opportunity for them, that their passion can be realized in the leadership role. And that is why today is so important. Because I think it's a signal that is absolutely worth sending. I really urge you to vote in favour of this motion. Thank you very much Mr. Speaker. I appreciate the extra time as well.

Mr. Speaker: That's democracy at work. Thank you. We have Nick Ternette to speak on the same subject. He has five minutes and the other two can stay here because there will be possible questions to be asked. Mr. Ternette you have five minutes.

Nick Ternette: Mr. Speaker, Mayor Sam Katz and members of City Council. Last year Dave Angus followed me, this time I follow Dave Angus.

Opponents to term limits suggest that arbitrary limits on how long someone can serve are inherently antidemocratic because voters are too lazy or too stupid to tell elected officials when to call it quits, or that when you disqualify someone from seeking re-election because they have been on Council for 12 years is undemocratic.

To me this undermines, in my opinion, what ought to be a serious and a significant debate between the kinds of democracies that we do face, there is no such thing as absolute democracy. We have different types of democracy. And for me it is important that this be a real debate between those who believe in direct democracy as do I, and those who believe in representative democracy.

As Dave Angus from the Chamber said and I'll just repeat it again, the issue of term limits is not about getting rid of the current Council members. They have provided excellent service and should be proud of what they've accomplished. Direct democracy is not just believing in term limits, it believes in money by-laws, it believes in referendums and it believes in the right of recall politicians.

Those of us who believe in direct democracy believe that citizens should be involved in politics on a day-to-day basis. That we have a right to participate in the political process because we care and because we can serve as watchdogs over the political process that belongs to us. We, not the politicians are the conscience of the people.

Those who believe in representative democracy, and that's a legitimate point of view, believe that those who don't like their Councillors can vote them out every four years or vote them in if they like them. Otherwise, leave politics to the politicians. This leads, as far as I'm concerned to an undemocratic form of government that we have here today and encourages lobbyists and specialist interest groups to meet with Councillors behind closed doors without any accountability to the people-at-large.

Those of us who believe in direct democracy feel that as a result of representative democracy, which is what we have at the present time, there is less citizen participation in the political process. Not only in terms of the number of candidates running for political office at the civic level, if you were to review from all the way from 1971 all the way to now, but also that the number of voters at the civic level, and in some areas, sometimes

less than 30%. And has allowed I think to some extent, and that is the significant thing, the professionalization of politics to occur.

As you might be aware and I've said that last year and again I've checked the figures again, the public has become more and more disillusioned with politicians. Politicians per se as a career politician. A recent poll again suggests that of all the professions, when people and high school kids were all asked what they would like to serve, politicians were at the last place, trusted the least, at approximately 14%. Now do we want politicians who have offered themselves to serve the public and be responsive to their needs or have no other ambitions other than to hold public office?

Now, I would agree that term limits might not have been necessary when City Council was at 50 part-time members at the time of the creation of Unicity in 1971. Believe you me I was around at that time. At that time, professionalization of politics had not yet occurred. People ran for office to give back to their community what the community had given them, to serve, not to stay in office for the sake of staying in office. Term limits will provide an opportunity for better government and at the same time reduce the potential disruption for those who seek public office.

Furthermore, I would like to remind Council that term limits is not strictly a right wing/left wing perspective because there is obviously no here I am, Dave Angus on one side and myself on the other side of things. But yet recall legislation was introduced by the NDP government in British Columbia and that direct democracy, term limits, money by-laws, referendums and recall politicians has been strongly supported by elements of the New Democrat Party, by the former Reform Party of Preston Manning especially and especially by the Green Party of Canada which covers a fairly strong ideological perspective overall in terms of citizen involvement.

In a democracy everyone has the right, nay, the duty to seek public office at least run for some form of office once in their lifetime, as I did that. That right is essential and must be protected. Term limits does that. It ensures turnover at City Hall. The incumbency factor and money is real in any election, especially civic elections where name recognition plays a major role in getting re-elected. As you know, it occurs (inaudible) in over 81% constantly get re-elected, at the civic level especially.

And the suggestion that I heard and others have said that democracy in action is somehow people choosing as little as they wish. It's in fact to me far more antidemocratic than term limits where citizens are given more choices of who to elect to Council. More turnover among members of City Council will ensure new and innovative ideas being constantly generated. So to close, I will strongly urge you to support the motion by Deputy Mayor Leipsic and Councillor Fielding…

Mr. Speaker: Thank you Mr. Ternette.

Nick Ternette: to have term limits established here in Winnipeg. Let's show Winnipeg is ahead of all other cities in terms of being out of the box.

Mr. Speaker: Thank you Mr. Ternette we get your picture.

Nick Ternette: Thank you very, very much.

Mr. Speaker: You have a term of five minutes. You overdrew it by one minute. Please Mr. Ternette just stay here there may be some questions from members of Council for the three delegations that were here. Councillor Fielding you have the first question. Who are you addressing it to?

Councillor Fielding: Sure I guess I'll address it to Dave Angus. Dave can you speak a little bit just in regards to what your membership has talked about in term limits and has there been any media polls that kind of demonstrate what our citizens are saying about it?

Dave Angus: Well our membership, we polled our membership twice. Actually we polled them back, I think it was back in

2001, 2002, over 80% at that time supported term limits. In fact they, the majority actually supported two terms as opposed to three, that are even more aggressive than this particular motion. And we just recently polled again and had the same results, in excess of 80% in support of term limits for Council.

I know that in previous polls we have, I know that, I think it was one of the media polls, CKY or the Winnipeg Sun actually recently did a poll asking about do you think that term limits is undemocratic and actually 75% disagreed with that. In other words they feel that it is a strengthening of democracy which you can certainly feel.

But I think it's safe to say that from the public's perspective they do embrace this as a mechanism through which the power of incumbency can be addressed and really create some more opportunities for other people to pursue civic service. Certainly our membership.

Mr. Speaker: Do you have a second question Councillor?

Councillor Fielding: Yeah, I guess the second question is could you maybe address other jurisdictions. Is there other jurisdictions out there that have term limits?

Dave Angus: Well the best models in the U.S., the top eight out of ten of the largest cities have term limits and they are largely two terms. The average of all the term limit cities in the U.S., the average length of service is 7.9 years. So it is quite dominant throughout the United States, particularly in the larger centres and of course we see it also at the state level and we also see it obviously at the presidential level as well.

So those are definitely some of the models and in some of the reading, because there are a ton of websites around that focus on term limits and a lot of the reading, it really is to address the issue of trying to get some mobility of people interested and into public service. So a lot of the same issues there being addressed in these cities through the use of term limits.

Mr. Speaker: That's it. Any further questions for the delegations Councillors? Thank you very much. Thank you gentlemen for appearing.

The next delegation is Wins Bridgman. Not present.

Liz Mitchell on behalf of the Disabled Women's Network. Ms. Mitchell you have, you have 10 minutes.

Liz Mitchell: Thank you Mr. Speaker. Mr. Speaker, Mayor Katz, members of City Council and ladies and gentlemen. My name is Liz Mitchell and I am here today to speak to you on behalf of DAWN - Disabled Women's Network of Manitoba. Emily Ternette was supposed to be here today but she is not able to come. We wish to register our opposition to the proposed rise in Transit fares beginning January of '08.

But before I talk about that, I would like to give you something to think about. According to recent statistics, 27% of women with disabilities in Manitoba aged 16 to 64, live in poverty. And nearly two-thirds of those women live more than 25% below the low income cut-off. Why is this relevant to increasing bus fares you might ask? It's relevant for a number of reasons.

Women with disabilities, in fact all people with disabilities are impacted by the lack of affordable, accessible housing, effective health care, and safe efficient transport. Now we are further insulted by the threat of yet another Transit fare hike to a Handi-Transit system that is in complete disarray. Let us take a look at the state of Handi-Transit at the present time.

Since the City began contracting out to private companies there has been a noticeable decline in service. And recently one of the companies went bankrupt leaving the other private companies to pick up the extra rides with vehicles that they probably don't have. Dispatching is still a nightmare. Despite the fact that Handi-Transit received a new computer system sometime ago, two people going to the same location from the same location are still being picked up in two

separate vehicles. There are also many examples of people getting a ride to their doctors and not getting a ride back home resulting in them having to pay for a taxi or cancelling their appointment.

We have also been informed that many people with cognitive disabilities who work for less than minimum wage at sheltered workshops will not be guaranteed rides because their ride request will not be considered work but rather leisure which is something of a lower priority.

The final blow was the new application which has forced us to take Handi-Transit to the Human Rights Commission because of the personal intimate kinds of questions on the form such as "do you receive home care? And if so, what kind?" What does this have to do with transportation? I'll tell you what it has to do with it. It was a question designed to weed out individuals from a system that already has too many people. And for all of this you want us to swallow an increase?

Many people with disabilities are not able to afford monthly bus passes which will not go up in price. Or even a sheet of tickets which will only go up 10 cents. Some months we can barely get by just by paying rent, bills and buying groceries. So what are our options for transportation? Well, we will have to pay cash fares when we want to go out and this will take an extra 25 cents from our pocket. The highest Transit fare hike in Winnipeg's history, 12.5% increase, far above that of inflation and affecting a sector of society who can least afford it.

You might ask why not take low floor buses with regular Transit which are free for most people with disabilities, that is, those in wheelchairs and people who are visually impaired? That's a good question, and believe me I could go on and on. But the short answer is that about every other driver doesn't know that he or she needs to help tie down your wheelchair. Recently I asked for assistance to be tied down, was refused and was thrown out of my chair when the driver applied the fancy new brakes, retarder brakes, sorry. I was injured and ended up in hospital.

And in the winter the City refuses to shovel sidewalks to the cement as other cities do, so that wheelchairs can travel down them, forcing wheelchair users to use the roads. Furthermore if you manage to get to the bus stop, often mounds of snow are left around the bus stop which hinder wheelchairs from accessing the buses.

But you know what frightens us the most. Every year, except last year which was an election year, we have seen a rise in Transit fares and every year we are promised improvements in Handi-Transit. We have yet to see them. In fact, we are seeing a decline in service in the system and the system itself.

It's frightening because the baby boomers are coming up to 65 in a few years. 30% are currently 60 or over. And with age brings disability and with disability there will be a further demand for Handi-Transit. If Handi-Transit remains the way it is now or deteriorates further there will be no future for the service or those citizens with disabilities and that may be you. We will have no alternatives for transportation.

Don't raise Transit fare increases on the backs of those who can least afford it. Please put your money where your mouth is and create a reasonable user-friendly transportation system for people with disabilities. I thank you.

Mr. Speaker: Any questions Councillors? If not, thank you. Thank you for your presentation.

Now we get on to business. Executive Policy Committee report of October 31, 2007, Mr. Mayor.

REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED OCTOBER 31, 2007

Mayor Katz: Thank you Mr. Speaker. I would like to introduce the report and move adoption of Consent Agenda Items 1 to 8.

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

Report of November the 14th of 2007, Mr. Mayor.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED NOVEMBER 14, 2007**

Mayor Katz: Mr. Speaker I'd like to introduce the report and move adoption of Consent Agenda Items 1 to 12.

Councillor Gerbasi: Item 4.

Mr. Speaker: Councillor Gerbasi on Item 4. Anyone else? Subject to Item 4, the rest. Item 4 has been stood down. The rest from 1 to 12, except No. 4.

All in favour? Contrary? Carried.

Item 4.

**Item 4 - The City of Winnipeg
Sponsorship Policy File FR-2**

Mayor Katz: Mr. Speaker I would very much, I'm going to defer to Councillor Gerbasi, hear what she has to say and then I will be glad to respond.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. I know Councillor Smith had some comments to make on this and I wanted to make sure it got pulled off the agenda for him as well.

But I do have some concerns about this policy which I would like to put on the record. Some degree of sponsorship is of course reasonable but this policy as its worded is very far reaching. We have a duty to protect the image of our City and avoid over-commercialization of public spaces.

The sponsorship policy applies to all City programs including equipment, services, projects, facilities, parks, park facilities, events or activities. We are not only talking about building names but green spaces. Places of quiet contemplation should not be subject to visual commercial pollution.

I'm also concerned about what the policy says about the approval process. It's written in Appendix "A" that Council will approve the content of requests for sponsorships that propose the naming rights of a facility or an asset prior to the release of a request for sponsorship. But the Chief Administrative Officer will approve all other sponsorship agreements. That's what it says in Appendix "A".

The policy is clear that Council will not have a say over the sponsorship choices related to programming, green space, park facilities, activities, services and programs. I'm very concerned about the accountability of this. If the public doesn't like a particular decision with the exception of a major facility name change, Council can deflect the blame back to City staff and elected officials can hide behind this policy. The accountability belongs with us here today as this policy is about to be passed. And in my opinion, this policy needs to be a lot clearer and with more safeguards to inspire confidence in the process.

For example, this policy is not very clear that there was any intention to avoid product sponsorships that promote unhealthy lifestyle choices such as fast food, sugar-laden drinks and even alcohol, there is something about alcohol for under 18. Well obviously illegal activities we hope we're not going to sponsor but what about healthy lifestyle choices? It doesn't spell it out whatsoever. Council should keep in mind that the world is changing. For example, some school divisions are beginning to remove junk food and soft drinks from the menu.

Yet one of the examples touted in the background material as having worked in Calgary was a major sponsorship from a well known soft drink company. This could end up being embarrassing for the City when lifestyle choices that are slowly losing their respectability as the world changes, are permanently emblazoned

on a variety of public spaces, assets, programs and facilities.

So I appreciate the effort to find new revenue, but there needs to be some meaningful safeguards to protect our public services, spaces and assets from over-commercialization and this policy does not contain enough clarity for me to feel comfortable that that's what we're going to see here. So I don't believe I will be able to support it. Thank you Mr. Speaker.

Mr. Speaker: Councillor Thomas.

Councillor Thomas: Thank you. I also rise against this clause. And I have to say that sponsorship of facilities can be a good thing. And when I was involved with the Winnipeg Public Library Board, we had a number of people that came forward and sponsored rooms and that was very helpful to us. We needed $21 million dollars to make the expansions of our Millennium Library work and that was helpful.

But I'm concerned about what happens to how we honour people who don't have a lot of money. We've had a history of honouring people who've done community service, regardless of what their income has been and we've named streets after them, we've named parks after them. The Resident Advisory Group in our area has submitted a list of names that we have for approval in the East Kildonan-Transcona Community Committee in which we've named parks and a number of areas after citizens who deserve honour for their hard work.

I think about people like Roy Davis and Hap Hopkinson, who did fine work in our community and have parks named after, that they are not wealthy people and we honoured many years of public service by having parks named after them for their good work in the community. And I think there needs to be the opportunity to do that.

Also, I'm concerned about renaming. My grandfather was a long time Reeve in another municipality, and another municipality got some money from someone and the park that was named after him is no longer named after him even though he was a Reeve of the township. And so I think those kind of things, before it comes to City Council for support, those kind of things, if you have honoured someone already, that you don't take away that honour and give it to someone else just because they've given you a little bit of cash.

What kind of things like streets and parks could continue to provide a way of honouring people who have done good service but don't have a lot of income. Those kind of things need to be protected.

And I respect that we want to broaden our scope of how we raise money but I think we have to do that carefully and I really don't think the due diligence has been done on this report and I would actually like to see us work a little harder and present something that's a little bit tighter before it comes to City Council for a vote. So I can't, I can't support this as it is worded.

I do have some hopes that if it is defeated that something will come back that is a little tighter, around the way we honour our citizens who have done good volunteer service and hard work for us. And I don't want to see everything up for grabs. I don't want to see renaming occur for things that have already honoured people. And I think those kind of controls just as a matter of due diligence, needed to be done.

And I think that before something like this comes forward it would have been a good proactive step to have us meet as a group of Councillors as we do on some issues that are considered touchy so that we can have a behind closed door discussion on what our concerns might be. So I think this may have had some, some, a germ of helpfulness but I think there has not been sufficient due diligence in order to get my support on this matter. Thank you.

Mr. Speaker: Councillor Smith.

Councillor Smith: Yes Mr. Speaker. You know, sponsorships can be good. I was in

Toronto just over a week ago and, as she just mentioned, it worked for the Liberal party. But sponsorships, I was in Toronto and I went to the library and I saw the Toronto Star had the newspaper room. It was a good idea. Sponsorships can be good.

But this clause is sweeping. It's every piece of equipment. Every, everything. In fact in the paper that, the background paper that came with this from Councillor Leipsic, it suggested the fogging program. Okay, you know, like, you know it's everything the City does, every piece of equipment, every building and it seems to me that it's too sweeping.

Now, we should have an idea of what we're voting for. Why don't we have in this clause, a list of ideas of things that we could do? It's vague. So we're buying something without knowing what we're buying and I'm especially concerned with services. You know, naming a building is no problem, but services, I want us to have control. I don't want sponsors having their voice in the services that we provide. And by the way, it's also very embarrassing as a City that we have to turn to private sector for basic services. You know, this is far too sweeping. Let's vote against it.

Mr. Speaker: Councillor Fielding.

Councillor Fielding: Thank you Mr. Speaker. I rise today, I'll save the suspense, as Bill Clement sometimes says. I am very much in support of this initiative and of course this is one of the recommendations that we put forth through the Economic Opportunity Commission. And I'm hopeful that this is one of the many recommendations that will follow through on that Economic Opportunity report.

But you know this is a really innovative way in my opinion of raising some revenue here. I am of the school of thought that it's not necessarily a revenue problem it's an expenditure problem that we need to work on here. But as such you know I think this is a real innovative program that can really benefit the City.

We look at other jurisdictions out there. Whether you have San Diego which it raises $5 million dollars a year for this. You have Calgary that raises $2 million dollars a year from sponsorship. You know I think it's a new and innovative way to raise some revenues for the City of Winnipeg.

You know this is going to be done in a tasteful way. Any naming rights, we're talking about with buildings is going to have to happen through Council, Council support and approval for it. You know it makes sense. The service, the smaller items endorsed, you know that can be done through administrative or through an internal process. But I think you Councillor Smith or Gerbasi or Councillor Thomas, you're going to have a say, you know.

I know I read some of the newspapers (inaudible) I gave you your time. Let me have my time Harvey. So, as such, I think it's important to take a look at these things. You're going to have a say on these items that are there. And I think that there is going to be safeguards in terms of the Council vote, in terms of a sponsorship.

When I saw some media articles you know that you know suggested that possibly we're going to rename City Hall which is you know ludicrous. We're not going to. We're not looking to rename City Hall. We're not looking to rename major landmarks where there is people's name that is there. But for such items and this is just my opinion and isn't policy, but you know if you've got Investors Group or a company like that that want to invest in the English Gardens or something to the effect like that and enhance their ability and our ability as a City to enhance these facilities, I think it just makes sense. And it's something that I want to do in a tasteful way.

We're not going to use, you know I don't think Hooters or another, I don't want to name different organizations but we're going to do it in a tasteful way that makes sense. And it's worked all over different areas. This is one of the new ideas that

we need to look at to make the City of Winnipeg a better place.

So I am very much in support of this and I think some of the administrative people who put it together, Colin Craig, did a fantastic job of putting this together for us and I am very much supportive of this process. Thank you.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you Mr. Speaker. I want to begin by congratulating the Mayor for the unveiling of our logos which are in the entrance of City Hall. I think that's a tremendous initiative and those are the logos that I think we should be proud of and that should be featured in all of our civic buildings.

I'm opposed to this policy because I believe it devalues the symbol of government and governance. I believe it blurs the line between the private and the public sector and ultimately elected officials. And on a real practical basis I really think it's going to negatively impact our civic branding efforts across the globe.

Government is, and governance is about people. It's about citizens. It's about representing the diversity of our citizens across this great City and it's about citizenship. And I think in a world of unadulterated commercialism government, City Hall should be a place where our citizens can come and be safe that there is going to be no commercialism at City Hall or in any of our civic buildings.

We are unique at the City of Winnipeg in that our primary role is to make laws. We make by-laws. We are unique because we are the only level of government that will make a by-law and we have a tremendous By-law 6400 that's coming forward today, and yet, within a month we're going to as politicians be forced to sit into this room and adjudicate against variances against that very own By-law. The Federal government doesn't do that. The Provincial government certainly does not do that. Civic politicians are unique.

So when the citizen comes to City Hall to vary a development application against a law we have created I think it's essentially, it's critically important that that citizen be confident that there is, they're dealing with their representatives and they are not dealing with a commercial entity that has purchased a room or a statue in a government building.

We're about citizens. We're about our families. We're about our family's families. To understand, to appreciate and to learn who Cindy Klassen was, and I think that's a tremendous initiative to name our facility after Cindy Klassen, who Chief Peguis was, Louis Riel, Sam Southern, Sir William Stephenson. These are the names should be representing our civic buildings.

And I certainly don't want to see something like the Wal-Mart West End Library perched up next to the Cindy Klassen Recreational Centre. I don't want to see Pepsi Cola be the official drink of City Hall as Calgary has so proudly put forward for their $2 million dollars. And I certainly don't want to see a development company's logo on any of our civic buildings as we adjudicate on many development applications which is really our, our land use function at City Hall is unique.

And I believe that if you want to be treated as a legitimate level of government you have to start acting like one. Can anyone imagine the Federal government farming out one of their federal buildings to Bell Express Vu or Shaw Telecommunications Company so that they can raise half a million dollars to put towards their services? Can anyone imagine the Provincial government going out and farming out one of their buildings to Rona so that they can raise $300,000 dollars towards their general expenses?

Other levels of government wouldn't do it because they understand the importance symbol of governance and government and I think we should not be doing it either. Thank you.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I think, I want to bring the

debate back to more of a realistic level. And I think this is a policy which is unique. I think it represents something that we have in the past done informally and I think it formalizes it to a certain extent and says there may be an opportunity for sponsorships. Not everywhere, not on everything but where the opportunity exists it may work.

I can tell you from personal experience, Mr. Speaker that this can work. If it wasn't for sponsorships, a park that is being built in east Winnipeg, 160 acres of City land, a total of eight softball diamonds and one hardball diamond, an MX/BMX bike track, six kilometres of walking trails, toboggan hills, skating rinks, outdoor volleyball, outdoor basketball, canteen, washrooms. A $6.2 million dollar facility, would have never even begun if it weren't for the fact that we went out to the private sector and received sponsorship support.

The first guy to come to the table or one of the first guys to come to the table, I can tell you it was called the Transcona Recreation Park, that was the name, but it is servicing all of east Winnipeg. A park that has never been seen, never mind in Winnipeg, never seen anywhere in Canada. There is no facility like this and it's going to be opening next May and it's been in construction all of last year and this year.

$6.2 million dollars, a million and, over a million and a half Mr. Speaker, raised by the community. And raised by the community by going to individuals who have historically been philanthropists and companies. We have sold the naming rights of the park for half a million dollars. John Buhler. The Buhler Recreation Park named after him.

We have also turned around Mr. Speaker and we've sold the naming rights of the different diamonds for $30,000 dollars, 15 year naming right, including the signage cost to put up the sign. Okay. Businesses are contributing $6,000 a year every year, over five years to have a 15 year naming right. The soccer fields, same thing. Mr. Speaker this is how we raised the money to build this.

And then with the $1.5 million, thanks to the leadership here on Council and the Mayor, we've had the City matching that by $1.5 million. The Province is matching it $1.5 million and the Federal government $1.5 million. But it would have never started Mr. Speaker if it wasn't for the sponsorships that took place in the first place.

I think this policy just simply sees an opportunity where we can do things better and this is, and what I'm speaking of is an example Mr. Speaker, of what we can do as a City. We don't always have to compare ourselves to other cities. I would like to see in the future where other cities are constantly comparing themselves to us. Where they're coming to us to see a world-class sports facility. Where they are coming to us to see how we are rejuvenating our downtown and making things happen in the City and so on and so forth.

I think that should be the goal Mr. Speaker and maybe this might help us to achieve that goal. I think it's helped us on that side of the City to achieve that goal, on the east side of the City in this one example. I've seen it work firsthand, and participated firsthand.

And I don't think this issue of that it somehow blurs the line between the public sector and private. I think this is nonsense. I think this is nonsense. I think businesses will participate because they see that they want to be part of the community. That it's in their best interest that we have healthy and strong facilities because their employees and their staff and they themselves enjoy using these facilities and being part of the community and enhancing our quality of life. And that's Mr. Speaker what it is about at the end of the day, ensuring we have a strong quality of life, a healthy quality of life here in the City of Winnipeg.

I think this is a good policy. It's a good start and let's be realistic about it. You know the media has sensationalized this, you know. This is something which I think has a humble beginning and we'll see where if goes from here. Thanks very much Mr. Speaker.

Mr. Speaker: Councillor O'Shaughnessy.

Councillor O'Shaughnessy: Briefly if I might Mr. Speaker, my good friend from St. Boniface has pointed out what the Province doesn't do and I would like to point out to him and others that the Province of Manitoba owns the University of Manitoba. The Asper School of Business, right on the building. Other buildings are named after people I don't know but this one definitely was for financial consideration.

The Health Science Centre owned by the Province of Manitoba. John Buhler's name for money sits atop one of the largest buildings. And the new building under construction is the Siemens Building. I do believe that's a drug company that's who it's named after. So this is not, I don't recall a famous school teacher named Siemens around here. It was for money. They are all for money.

We own the Winnipeg Stadium actually. We didn't give them title and yet they named it the Canad Inn Stadium for money, for filthy lucre. Let's get off the high and mighty podium here. We will be able to look at things on an individual basis. Some will be appropriate, some will not. And believe me the Council of that day despite their very limited experience will be able to tell the difference.

Mr. Speaker: No further speakers? Closing debate. Mr. Mayor.

Mayor Katz: Thank you Mr. Speaker. Mr. Speaker sponsorship is not a dirty word. Sponsorship is a good thing. And this is not a new idea for the City of Winnipeg. It's been brought to my attention that in 1997, Council voted and passed the direction and initiatives with an EPC's Reshaping our Civic Government report and part of that report recommended sponsorship for services like the Assiniboine Park Zoo. This has been going on for awhile Mr. Speaker. The only thing we're trying to do is do the right thing when it comes to sponsorship is to raise revenue so we can help with our infrastructure.

You know the fact that Toronto, Ottawa, Calgary, as was mentioned earlier, institutes of higher learning, universities across the country, hospitals across the country, et cetera, et cetera, they all have sponsorship. And what some people don't realize, not only is there a value to sponsorship because sometimes it can help create an asset that might not otherwise get built as Councillor Wyatt alluded to, but there is also pride in ownership.

And whether it's the Asper School of Business or Buhler or Siemens, I can assure you that these people, these corporations, whatever it may be, would not let these facilities fall into a state of ill repair and that's always been a problem that we've had in our City. You know, no matter what it is, a federal, provincial, a civic election, all of a sudden there is capital money to build something. But no one ever considers the long term maintenance and that's how the City got into trouble. It's the maintenance problem.

And what I find amazing is I would hope that every Councillor sitting here believes that any naming of any kind would be tasteful and moral. I think that's the first thing we have to realize Mr. Speaker. Tasteful and moral. That's what it's all about.

I know Councillor Smith jokingly mentioned at EPC that it should be the Burger King Mayor. They should be the Sponsor of the Mayor. Well Mr. Speaker that's not going to happen. When it comes to naming rights for City Hall that's not going to happen. You're not going to see logos on police cars. That's not going to happen. And I very much appreciate Councillor Thomas for pointing out renaming. Not going to happen. Let's all use a little common sense. If someone is honoured for whatever the reason, rich or poor, no one is going to change that name.

But we have all sorts of opportunities in front of us that we can raise revenue in a tasteful and a moral way and Council will have input on this. I don't think any Councillor thinks that we're going to come up with some initiative that's going to

make us the laughing stock of North America. That's not our intention.

Our intention is to find creative ways that are compatible with a credible entity being created. That's what this is all about. So remember, integrity, credibility, tasteful, moral. That's what sponsorship is all about.

And I commend Councillor Fielding and his commission for coming up with this idea. And you know what as I said earlier, this is nothing new. Ladies and gentlemen it's happening. Let's not be the last one to start doing something.

And I will say one comment for sure and Councillor Vandal knows this to be a fact. Canad Inn Stadium is owned by the City of Winnipeg, on City of Winnipeg land. That is sponsorship. Let's continue and do positive things for our City Mr. Speaker. Thank you.

Mr. Speaker: Thank you Mr. Mayor.

Councillor Gerbasi: A recorded vote.

Mr. Speaker: A recorded vote has been called for by Councillor Gerbasi.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel, Wyatt and Mr. Speaker Councillor Lazarenko.

Nays

Councillors Gerbasi, Smith, Thomas and Vandal.

City Clerk: The vote Mr. Speaker, Yeas 12, Nays 4.

Mr. Speaker: Item 4 is Carried.

EXECUTIVE POLICY COMMITTEE
NOTICE OF MOTIONS

Mr. Speaker: The Notice of Motion, Councillors do you want to set a time limit on this one? We're talking about term limits. Do you want to set a time limit?

On Notice of Motion moved by Deputy Mayor Leipsic, seconded by Councillor Fielding, it's a Notice of Motion that is to be dealt with here today. Councillor Leipsic do you want to introduce it? You have 10 minutes.

Motion
Moved by Councillor Leipsic
Seconded by Councillor Fielding

WHEREAS there is significant public interest in further exploration of term limits for Members of City Council;

AND WHEREAS term limits in other North American jurisdictions have been shown to strengthen democracy by encouraging more candidates to participate;

AND WHEREAS more turnover among members of City Council will ensure new and innovative ideas are constantly generated and that City Council is reflective of the overall population;

THEREFORE BE IT RESOLVED THAT:

The City of Winnipeg request that the Province of Manitoba amend The City of Winnipeg Charter to:

a) Implement term limits for Members of the City of Winnipeg Council;

b) Set the term limits to 3 consecutive terms of office;

c) Make these changes come into effect for the City Council elected during the next general Civic Election of October 27, 2010.

Councillor Leipsic: Thank you Mr. Speaker. May I begin by saying what an honour it is to present this motion today on term limits. I also must be very clear at the outset that for the Councillors who have been here for many years, this is not

personal in any way whatsoever, and it's not to minimize your contribution or your position. Indeed, this motion will actually be grandfathered in the next election, October 2010.

Term limits are an issue that was part of my election platform and something that the people of River Heights-Fort Garry spoke of very often to me during the campaign. It is a motion that embraces democratic and fair principles.

The motion in summary is that as of the next civic election, October 2010, one will be allowed to serve three consecutive terms of office in Council, may sit out one term and then run again if they choose. Also, may I clarify now, as per a memo I sent to all Council members earlier this week, the intent of this motion means the office of Councillor and the office of Mayor are two separate and distinct offices. In other words, one may serve up to three terms as Councillor and up to three terms as Mayor if they so choose.

If passed of course, I realize this motion must go to our Provincial government for approval. The Provincial government has clearly stated in the past they cannot consider nor act on this issue until they hear from our Council. What an opportunity to clearly set out a new standard for civic government.

Term limits were established in the cradle of democracy, Greece and Rome, many, many years ago. These citizens of the past specifically stated that the time a citizen spent in civic government was to be restricted. A change of representatives was encouraged and is something that strengthened democracy. New members can bring new ideas, vitality and vision. This change was encouraged and indeed, made law. Accountability and transparency are more evident I believe.

People of Winnipeg are increasingly supporting term limits. Polls show that five years ago, 50% of Winnipeggers supported term limits. In 2006, polling by the largest newspaper in Winnipeg saw that, saw that number rise to over 90%. The election of Winnipeg City Council incumbents is almost guaranteed. 81% of incumbents are returned to office in the last several years. Naturally, citizens are reluctant to give of their time, energy and finances for such odds and risk. As stated in a recent media, this is undemocratic.

To be elected to Council I believe is a service, privilege and honour. We are not here for careers, jobs or pensions. A citizen agrees to give up much private life with family and friends. Their professional lives are put on hold and they greet a media's scrutiny. In return, the citizen serves with every ounce of energy, knowledge, experience, and their entire soul and being. This is a short-term privilege of service Mr. Speaker.

Many Councillors before today have tried to introduce term limits. Gary Filmon, Chris Lorenc, Peter De Smedt and Councillor Russ Wyatt, in '97, '92 and '06. Many organizations and individuals have sought term limits at City Hall and spoken in favour of them, as varied as we saw today. Chris Lorenc, Dave Angus of the Chamber of Commerce, right to the National President of CUPE, Mr. Paul Moist, who publicly stated that if one is not able to contribute to civic affairs in 6, 8 or 10 years, how will it happen in 16, 18 or 20 years?

Civic elections also differ vastly from Provincial and Federal elections. In that governments change more often as people are also voting not just for an individual but for a party and a leader.

Mr. Speaker, I ask my fellow Councillors today to have the courage to begin something not yet done anywhere in Canada. Why must we be the followers? Let us be the leaders as we have so often in our past history. Let us leave a legacy for our children and grandchildren to be proud of at Winnipeg City Council.

Manitoba was the first province to give women the vote in 1916 and have them recognized as persons. The first province of Canada Mr. Speaker. Nellie McClung and her team fought long and hard for that victory. Our Winnipeg Strike was an unheard of event in North American history as labour challenged status quo with a general strike. Let us encourage

not discourage people to enter public service for more ideas, life experiences and fresh energy. Remember, not one of us is indispensable. Term limits are the right thing to do. Term limits are truly populist and fair for all citizens.

Think of this my fellow Councillors, today, right here, approximately one half of our Council has served a total of 134 years, or an approximate average of 17 years each. The approval rating for term limits is growing. As I recently commented if this does not pass today, be assured it will be back again. The polling has gone in five years, from 50% to over 90%. Support grows and next election more Winnipeg voters will ask incumbents how did you vote on term limits and why did you vote that way?

Term limits are part of my political belief and I'll continue to fight for a more balanced playing field for future Winnipeg City Councillors and once again, Winnipeg and Manitoba can proudly be listed as leaders of civic government history.

May I close Mr. Speaker, by saying I thank you for this time today. I would like to close with a motto and the words of Winnipeg and Manitoba's greatest and most famous leaders Nellie McClung – "Never retreat. Never explain. Never apologize. Get the thing done and let them howl." Thank you Mr. Speaker.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you I would like to say that last quote of Councillor Leipsic's I agree with fully. That may be about where it ends. No I thought that was an excellent quote and I thank Councillor Leipsic for bringing, I thank her for bringing forward the debate because I think it's always very important to have a public debate on issues like participatory democracy and all those things. However I don't believe this motion before us today truly addresses the real problems with our City Council.

Furthermore, if you believe in term limits, I think you may find that the motion before us today is severely flawed and this is where one of the flaws are. This motion is worded as Councillor Leipsic explained so that it allows all members of this existing Council to have three more full terms. The term limits don't begin until after the next election and they are not retroactive.

For example, a Councillor like myself who's on their third term could run for Council and if elected serve for a total of 24 years without stepping aside. The same goes for Councillors who have had over 25 years of service. They can serve for another 12 years or more before these limits would kick in. It doesn't take a whole lot of courage or guts to vote for something that affects a future Council but not any one of us here. And I expect a lot of the public don't realize this. A lot of the public believes that this motion would actually apply to this current Council. And where is the accountability and transparency in the decision we're making here today?

The idea of term limits is being presented as some fresh, as a fresh and new approach that will result in meaningful change. But I don't believe that this alone or at all will solve the problems that the movers of this motion probably hope that it will. The real problem is that people have a very low opinion of not only elected officials but the political process itself. Feeding into that negative attitude by taking this stance, that devalues the role of elected officials further will not make the situation better.

I'd also like to point out that I haven't had a lot of constituents who have said that term limits is a major issue for them. In fact I've had one constituent that lives in my ward mention it to me. One. Most of my constituents and of course there will be some who hold different opinions. But what I hear about my constituents most of the time is that they're concerned about us getting started on rapid transit, addressing poverty, dealing with the environment, not to mention having proper garbage pick up.

But we have heard, and this comment is for Jae Eadie who was defeated after 25 years of Council, 26 sorry. We have heard from the usual anti-government lobbyists such as the Taxpayers'

Association, the Heavy Construction industry and the head of the Chamber. Maybe some of these organizations should look at how long they've been spewing out the same tired arguments and bring some fresh ideas from their organizations because this is something that Councillor Eadie I know would want said today.

It isn't an accident that term limits exist nowhere else in Canada. Term limits are an Americanization of our political system. But the best argument of all against term limits is the outcome of the 2006 election. In 2006 Winnipeg elected five new Councillors, four incumbents were defeated some of whom were very long-serving Councillors. There are now only a small number of long serving Councillors left and many of them may not run the next time. I'm not sure if this issue is relevant as much anymore, for people who are thinking that this Council needs change and turnover, which we have had one full third of Council change in the last election.

Another point I would like to make is that there is something to be said for keeping our history close. It is true that new Councillors often bring ideas and that's very important. But in order to be effective they also need to learn from past mistakes. We need experienced Councillors also to remind us of the lessons already learned otherwise Council will repeat the same mistakes and debates over and over again. A society that values youth so much should also value wisdom and experience.

I think of such politicians as Bill Blaikie who is retiring after serving close to 30 years in public office. And what about Stanley Knowles who was elected Federally in Winnipeg North Centre for 16 years and then served an additional 22 years. Members of all political parties greatly respected these people and those men made a huge contribution with their experience and wisdom on an ongoing basis throughout their career. They were seen as the conscience of Parliament. So those people would have been long gone.

And I also think, and this is maybe even more important, that Council should not underestimate the intelligence of the voters. Term limits are arbitrary and undemocratic. They apply to everyone but everyone is not the same. Why not let the voters decide. There are problems with this cynicism out there in the public and a feeling of hopelessness about our political system. That's real. But the death of democracy has been greatly exaggerated. It may not be dead but it does need some reviving and that's what's good about this motion because we need to talk about these things and how to fix them.

We should be looking at ways to engage people in the political process, not turfing people out who choose to serve and are chosen by voters. We need better ways to involve the public in decision-making in a meaningful way, like maybe giving people time to know that we are going to increase transit fares so they can actually have time to prepare and come and participate in a public discussion, just to give you an issue we are dealing with right now. We need neighbourhood planning processes that give people a sense of involvement and ownership at the local level which requires support and by having proper planning resources in place.

Maybe we should revisit the governance model we have that puts too much concentration of power with the Mayor and EPC. Many other cities rotate their EPC positions among different Council members or they have elections to cabinet from Council as a whole, not simply from the Mayor. Why aren't we looking at these solutions that might actually be solutions to something, that aren't arbitrary?

Work needs to be done to reduce the barriers that currently discourage women and more marginalized people from running for office. Perhaps we should be looking at this incumbency advantage that was spoken of by the delegation. Why is there an incumbency advantage? Let's fix that problem.

So although this is a useful discussion and even I just want to point out, Chris Lorenc himself said that this is one tool in a package except that there has been no package presented. All we've got is term limits presented and that's not going to solve the problem it's going to arbitrarily drive everyone out at a certain arbitrary date. Why aren't we doing these things to make it more democratic instead?

So in conclusion, I would ask, I think that in voting on this matter you would have to ask yourself, will voting for this motion today result in a better Council in the future? We might just as likely in my opinion have a worse Council but we most certainly will have a less democratic Council. Thank you Mr. Speaker.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. Let me start by self imposing a term limit. And I'll go one better then what's being proposed here today. On myself I'll place a term limit. If I am fortunate enough to be re-elected, for no more than three terms and I'll go back to 2006. I don't see that as a difficult thing to do. It would take a brief period out of our lives and 12 years is a substantial portion of a person's career and we take it and we put ourselves in the field of public service. I stand here doing that but I can't support term limits as they come forward today.

Seems to me that the motion to us today is an answer to a question, although nobody has articulated what the question was clearly. I've heard things like the need for new ideas or the need to encourage involvement. When you really look at this and you look around, if you look at our recent reforms that we've made on election financing, we know that some of the reforms we've made have made it easier for people to get elected. I know in my own personal experience, when I ran in the by-election that it was a very, very, valuable tool to be able to provide contributors to the campaign with rebates. It is far easier for non-incumbents now to get into the race and to raise the money that's required to do so.

You know Councillor Leipsic mentioned that 81% through history have been returned to office as incumbents but with the recent changes that we have made I don't believe that's true. There were five newcomers to this Council, subsequent to the recent changes in the election finances process for City Councillors and that's a turnover of five City Councillors here last time and I think there was four that… since the recent changes we're probably down around 70%, that being the incumbents being returned.

We also have to ask ourselves what are the negative impacts that might be created by term limits? We talk about the need to drive more people to the polls. We want more people to come out and vote. Well it seems to me that somebody's got to rationalize that if you're suggesting that somebody has an advantage being an incumbent, and you create a three year term limit on them that for two elections you might have a pretty low turnout at the polls because they look at this term limit as being a deadline for that person, why would they go and vote? So you have to look also what the negative impacts are.

You know the other thing is is it insulting to voters? To suggest that the people, the citizens of our great City can't look upon their elected representatives and make an informed decision as to whether or not that's who they choose to represent them. When you combine that with some of the other pieces of the puzzle, like the powers of incumbency that have been addressed through the election finances reform and some other measures that we're looking at taking, I don't believe that you are truly being respectful to the voters if you bring term limits.

You know it's a politically expedient statement that (inaudible). We know that there is a flavour out there today in the community for term limits. The easiest thing to do is to stand up and say yes, I support term limits. You'll get a little bit of a rah-rah from the general population but you know at the end of the day, is it the right thing to do? Because what we really should be looking at is the overall process that we deal with. Why is it that

incumbency has such a strong advantage in an election? What are the other pieces of the puzzle that need to be addressed?

You know at the end of a complete review of how we deal with ourselves, if it comes out of that that term limits is one of the best tools that we can put on the table, I would gladly support term limits. But I don't know if that's the best tool because the question hasn't been asked properly and this answer that comes to us today isn't supported by any great deal of information.

So I self impose term limits going back to 2006 but I will not be supporting term limits as they are presented here today. Thank you.

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

Councillor Thomas: Gee I thought there would be a long list. Okay. There are term limits. They're called elections. We have them every four years. And they are democratic. I'm concerned about this feeling that there is a perception that it's antidemocratic, that regardless of election, that the same people get elected. I'd like people to look around. Not only are almost a third of the people on their first term, there is a number of people who this is just their second term as well. And I'd like to point out to people that while there are some survivors, and I guess I could classify myself as one of four survivors of a few elections, that the average length of a City Councillor is actually two terms. They'll give people a second chance and if that don't work they're gone. You can see there are many two term Councillors. If you don't connect with your citizens you're not re-elected.

I'm concerned about revolving door politics and I'm concerned about the politics of personality verses electing persons of substance. I don't have a lot of money. My ward doesn't have a lot of money. I don't get elected by spending a lot of money. As you know, I made the paper for the smallest campaign on City Council. I use a lot of shoe leather. I have a lot of volunteers who come and deliver my literature and who work in the office. I can't pay anybody to work in the office. They do that. I thank them for showing up and putting in the time. I can't afford that. How I make it to City Council, and it is personal. It's personal for me. Because I'm here because I believe in certain things like the environment, like rapid transit, like reducing poverty, like having community centres in areas where there is a high need of low income and young children that need community centres and I'm here representing that point of view. And I get support from my constituents for that point of view.

If we make it based on three times and you're out regardless what you're doing, the advantage goes to people with the money. People who regardless of what kind of reputation they have in the community, can paper the ward with money saying "it's me, it's me, it's me", over and over again. I show up at their door, knock on the door and say "it's me, what would you like to see down at City Hall?"

I traditionally canvass 80% of my ward. My ward has gotten bigger three times and that's amazing, I now I think represent 50,000 people and it's tough to get to those wards and I think that's another issue. We want to get good representation and representatives. How come there is less than half the people representing your point of view at City Hall than there are representing the City's point of view at the legislature? I see that as a problem. I see the less voices we have around the table, the less discussion we have.

I think that it should cost less money to run an election and that there should be more people here. I have no problem with having a number of voices with different points of view here. The problem is it now costs a lot of money to run. And in my area that's a problem. Don't leave it to the people who have a lot of money in their back pocket and can get elected that way. And if you create a rotating door where you have to create a reputation by handing out lots of things that have your name on it, the only way you can do that is with money. As Councillor Swandel has said before me, it's now a little easier to

raise that money because you can get, you can get tax relief for it as you do at the Provincial or Federal level.

But I want to tell you a little story. When I first, it was my second time running, and I knocked on a door of a senior couple in my area and they said “oh yeah, we'll take your sign, sure. Just a moment, I want to give you a donation” and he shouts to his wife, "mother, have we bought our milk this week" and she said “yeah” and he says “I can give you $5.00” and he opens up his wallet and I see that he’s about to give me his last $5.00. And I said “oh no I don't want to do that” and he said "that's okay, we’ve got milk this week."

That kind of thing is why I run really cheap elections. But that is the kind of thing that when you connect with your citizens in that way, that they will send you back again when they feel that you're representing them. And if you don't represent them, you are gone, whether you volunteer that or not.

So I say that's the best term limit that you have is that there are some countries in the world where you stand up there, you don't get re-elected. But in this country and in this City we do have elections and they happen every four years and if you want to keep your job you go out and you connect with your citizens and you ask them what they think and you do your best to represent their point of view or else you will be gone too. Thank you.

Mr. Speaker: Councillor Fielding.

Councillor Fielding: Thank you Mr. Speaker. I rise today to of course second the motion put by Brenda Leipsic. I really believe that the debate here on term limits really boils down to one thing and that's fairness. We have a number of laws here at City Hall that help ensure that people of all incomes and all backgrounds are able to participate and gain office. For example, our election spending laws ensure that a wealthy individual can't simply come into a ward whether it be St. James or Charleswood or St. Boniface and buy a seat for a million dollars.

As everyone knows around the Council chamber here there are a number of other rules that are in place to level the playing field including limits on third party advertising, election period campaign in itself as well as the amount that you can contribute to one campaign or the other. The next step of improving this the fairness of elections in my opinion, is implementing term limits.

We pause for a moment and consider the advantage that an incumbent has we can understand why incumbents get elected over 80% of the time and why no sitting Mayor has lost since 1956. The first major advantage of course with incumbency is the fact it’s name recognition. As Councillors, we are continuously asked our opinions on different subjects, issues of the day from the media. In addition to the numerous media opportunities that are available to us we often receive public recognition when you go to different public events.

Another major advantage that we enjoy is the ability to send out newsletters and correspondence to our constituents on a regular basis. And I very much support that element because I think it's important that everyone of your citizens have a say and understand what decisions your are making and how you're doing it. However, I’d also like note that we generally are the editors of our own newsletters and quite often it could be a little bit biased in terms of our performance down at City Hall.

Another advantage is the fact that we have budgets to support community projects that often receive recognition of these when a project has come to fruition. Now, with this I don't necessarily have a problem but I want to just point out the fact that there is recognition as people will use this as what is a definite advantage in terms of an incumbency. We also take advantage of these benefits and I feel that they are very important for our constituents but we cannot ignore the fact that this does lead to unfair advantage I believe, in terms of incumbents over new people coming into the system.

What term limits does it recognizes the fact that there are these major

advantages that incumbents have and we need to level the playing field to get those interested and the community leaders involved in the process. Term limits in my opinion will encourage other people to run for office. Imagine most candidates who are considering running for office when they consider the fact that 81% of the time you'll lose and an incumbent will beat you.

What term limits does it ensures that new blood and fresh ideas will always be alive here at City Hall. Being an elected official as Brenda Leipsic, as Councillor, Deputy Mayor Leipsic had mentioned, in my opinion is very much a privilege and is not meant to be a career. A constant injection of new ideas at City Hall will help ensure that these new ideas and philosophies come to City Hall.

For example during the last election campaign I proposed evening and weekend construction. Now existing Councillors at the time said no we can't do it. You know there can't, there is no way we can go through with it. Well we know for a fact that we can do it. We will be doing it this year and the citizens of Winnipeg will be very much the benefit of that. Term limits gives everyone a better chance of helping improve our economy.

I myself have committed to running for two terms in office but very much support the three terms, 12 years for members of Council as well as the Mayor. I think that's a fair process. Some have made the argument that it will take new Councillors some time to make a difference here at City Hall and sure I can agree with that you know 100%. It takes some time to understand the process whether it be process, whether it be policy, whether it be getting to know people in the community or the local issues. But surely to goodness it's going to take you 6, 8 months to figure that out. You know for 11 years you can surely get to what you want accomplished at City Hall.

And I think at City Hall more than other levels of government, specifically the Provincial system, you can have an impact in your system. You control what goes on in your ward. You have a say in people's every day life, whether it be a bridge, whether it be a road, whether it be you name it, it's City Hall and you represent and a Councillor has that approach and has that ability.

So I can cite also two examples of Councillors that have made a difference in here. Councillor Browaty pushed the McIvor, the barricades at McIvor and was very successful in his first year. I mentioned my evening and weekend construction, so you can get on within an early period of time and start making a difference here as a Councillor.

Many people suggested by defeating a 26 year incumbent that I'm an example of why term limits are not needed. So let me tell you a little bit about my experience. I first became involved in politics close to 15 years ago. And when I decided to run I (inaudible) involved in my community for a long period of time, living in my community, had existing political connections and networks. I started the process more than a year in advance and was able to meet with community leaders and form a campaign team. I also had the flexibility, a flexible job and an understanding, my wife and daughter who along with me campaigned and knocked on thousands and thousands of doors. The hard work paid off but the reality is most people do not have the same circumstances that I do and thus the system is closed to them.

Every block out there, every community we know leaders. It might be that guy on your street that organizes the barbecue or volunteers at ringette or organizes the block party. I've got one on my street. I'm sure that you guys all know them as well. What term limits does it gives these type of people an opportunity to become leaders at City Hall. The current system doesn't allow for that.

Some point to the Provincial and Federal systems and say well you know what they don't have term limits as well. Well we need to point out the fact in this chamber that it is not based on a party system. Provincial and Federal representatives are consistently throttled off as we decide your time's up. Two examples and this is the Federal Conservatives in 1993 where

we were reduced from a majority to two seats. The NDP in B.C. in 2001 were reduced from a healthy majority to two seats.

My question to Council, to the chambers, when is the last time the chamber had such a dramatic change at City Hall? You know this isn't a partisan issue. The President of Russia, the President of United States have term limits. So do the leaders of the Philippines, Mexico, Germany, Finland, Brazil, and the list goes on and on. In fact, term limits date back to the beginning of our democracy whether it be ancient Greece or Rome.

In the United States over 40 different states have term limits where 17,000 municipal and county officials are mandated by term limits in 2,900 jurisdictions. Cities such as New York, Kansas City, Dallas, Denver, Boston, San Francisco and Los Angeles all have term limits. And the argument that somehow the City is going to fall apart if you have Councillors that serve for an 8 or 12 year period hasn't bared fruit to these cities so that's why I believe we can do it here.

Locally, who would have thought that Union President, Paul Moist who is now with the Canadian Federation, as well as the Chamber of Commerce President Dave Angus would agree on an issue? On the other side of the issue who would of thought that Jenny Gerbasi, Councillor Gerbasi and Tom Brodbeck would agree on the same issue. So this isn't a partisan issue people. I would like to quote just what Paul Moist said. "City Hall's culture simple does not encourage turnover. If you want to make a contribution to civic affairs and you haven't done it in 6, 8 or 10 years I'm not sure you're going to be able to do it in 16, 18 or 20 years".

Mr. Speaker: Councillor Steeves moves extension of time of two minutes.

All in favour? Contrary? Carried.

Councillor Fielding: But there is one last reason to support this motion. Let it be said that the people of the City of Winnipeg want this to happen. In three different opinion polls, in 2002 the Chamber of Commerce found that 83% of their members supported term limits. In 2004 the Free Press looked at this issue, 95% of people that responded back supported term limits. And lately in the last 2007 over 84% of members supported term limits. I ask you to listen to the will of the people of the City of Winnipeg and support this in terms of the democratic process here. Thank you very much.

Mr. Speaker: Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. These arguments are always a difficult one because I do genuinely see both sides of this one.

Part of the reason it's a bit discouraging for me Mr. Speaker though, is that even though I know that Councillor Leipsic and Councillor Fielding have every good intention of bringing forward this motion, I specifically excuse them from my comments. I can't help but feel that sometimes this motion does garner some support from the community, parts of the community because of a certain contempt that may exist for the political process and politicians. And that's sometimes a bit deflating to recognize that reality in our community. And I don't say that angrily, I just say that it's kind of a shame that it's come to this in our society, that that contempt kind of exists.

Doubtless this would make for a greater turnover at any City Hall. It's probably worth considering Mr. Speaker whether or not a term limit would or would not discourage quality people from coming forward to seek the job. I don't know if it would or would not. I guess it's impossible to ever figure that out for sure but I can't help but think that in some way, that if the job was limited to the time that you could do it, that some people who have other options in life, might decide to stay away.

There's a certain irony Mr. Speaker with people offering up the idea, the premise that the community wants this. They want term limits. They'll quote statistics and they'll quote polls. They'll quote surveys of their membership. And yet in the same breath, when they're saying the

community really wants this and they feel strongly about this, they will say that for some reason, the community will keep electing people who overstay their welcome. I don't know how you reconcile those two. If the community genuinely in its core believes that people need to be turned over at a greater degree, why would they not do it?

The vote against it, as Councillor Leipsic has said, if people in the community do feel strongly come next election, they don't even have to consider the issue of term limits Mr. Speaker. They have the right to just simply not vote for the person. That is a far more direct route to get the result that they require and that they need. Correct? I would suggest that's the case.

It is difficult to talk about this issue at this stage of my career without personalizing it a little bit for me directly and I'm only talking about me. I'm a Councillor at the end of this term who will be coming on my ten year anniversary here at City Hall. It's hard to believe. I don't know whether or not I'll run again. I haven't made that decision. It's far too early for that Mr. Speaker. But, I suppose if I do run again at the end of that term, it would be 14 years for me and if I were to support this motion, I don't, I think I would take that right away from myself. I don't think I could in one breath say that it's okay for me to stay for 14 years but I want to limit future Councillors to 12 years.

Make no mistake if we're voting for this motion today, what we are saying is that it is best for our citizens if a Councillor leaves after 12 years. That's what we're saying. And I'm not saying, I'm not judging people for taking a position on that. I completely respect their right to do so. But, I don't think you can say that it's okay for some Councillors to serve longer for some reason. What we're saying is that it's best for the community that Councillors leave after 12 years.

There have been a lot of examples of politicians who have had to stick out their careers for longer than 12 years before having a chance to rise to that higher office. Lots of examples of people who have done very well once they've stuck out that very long period of time and then attained that higher office. I don't know how long Premier Doer, Prime Minister Chrétien, Prime Minister Martin, Premier Klein, I don't know how long those people were in certain positions, but I think you'd find there is a pretty fair smattering across the political spectrum of people who have stuck it out because they probably had to to realize their eventual goals of getting to where they wanted to be and when they got there were actually pretty good leaders for their parties and for the people that they represented.

The issue of parties will doubtless come up. It's a party system. You rise and fall with your party. Well with all due respect, we've had parties here at City Hall. The American example has been touted. They have a party system. Are we saying that if we suddenly had a party system here at City Hall we wouldn't need term limits? I don't know. I'm not sure what the argument is on that. And I am a little concerned about any example that touts the American system as superior to the Canadian system. In my heart of hearts Mr. Speaker I do not agree with that. I believe the Canadian system is a preferable system. I think our democracy works as good or better as anybody in this world.

Is the American system better served because of term limits? Potentially. I can tell you Mr. Speaker had I been an American, I likely would have voted for the former President over the current President, although it's none of my business. Is America better served by the turnover of the Presidency in this last example? I don't know if it was or not. It's really not my place to say I'm not an American. But people have to consider those types of issues I think.

Democracy. Regrettably I have to stand in this chamber and I have to acknowledge that democracy is flawed. I have to acknowledge in front of everybody that it is probably the worst system of any political system in the world except of course for every other system that exists.

People make mistakes. Do I believe our population, citizenry at large sometimes

elects the wrong people? In my opinion, yeah I think they do. I think they do. In my opinion and it's only my opinion, I do believe that happens Mr. Speaker. But make no mistake, by voting for this motion we are taking something away from those people. It's true. By supporting this motion, we are taking that away from them and we are taking it for ourselves. And we are making that choice and sometimes I guess governments have to do that.

The reason I am not going to make that choice today Mr. Speaker, is because I have looked, I have researched, I have considered it anecdotally. I have never seen any proof, either formally, anecdotally or otherwise, that shows me that a term limit system works any better than a wide open democratic system and for that reason (inaudible).

Mr. Speaker: Councillor Wyatt moves extension of time of two minutes.

All in favour? Contrary? Carried.

Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. This is a difficult subject to speak about in many ways because we are talking about ourselves. And there's Councillors here who served for a short period of time and there's Councillors here who served for a long period of time and so it's hard for the debate not to sometimes turn personal. And so I'm going to try to speak to this as if, if I was not a member of this chamber and to try to speak to this in an objective fashion, as objective as possible but also in a way that's respectful.

Mr. Speaker it is an irony that we are actually going to be able to vote on this. In some way it's like an irony of us setting our own salaries and our own pensions. As far as I'm concerned Mr. Speaker, the best way for that to be done is through an independent body or separate body or delegated to somebody else. But we've tried that Mr. Speaker, with regards to this issue. We tried that, we tried, Mr. Speaker you have somebody over here who wants your attention to go on the speaking list.

We've tried that Mr. Speaker. We've tried that. We tried that in 2006 last year. We tried that and we had a motion before this very Council that would have delegated the decision to the electorate through a referendum. And I can tell you what the vote was because I remember the vote. The vote was 14 to 2 and I was one of the two, myself and Councillor De Smedt. And this Council said how can we delegate this? Well the argument at the time was that we delegate it because we're deciding public policy that directly affects us and maybe we're not the best ones to decide. Well we said no we are not going to do that. So now we're saying okay we're going to lead by example was the argument at the time. Why we should be deciding. Well that's why we are having a debate here today Mr. Speaker.

I would suggest to you Mr. Speaker that in many ways this has been seen, this debate has been seen by some in this chamber, especially the oldest or the longest serving Councillors, in some ways it is a personal offence, a personal attack. And it's hard to also not notice that it's some of the younger serving Councillors who may be supporting this motion. And I think that attack or it's seen as a personal attack because I think there is an element here and I don't think, it's not just one person but I think it's a culture of entitlement, a culture of entitlement that exists here at City Hall fed by a fertile field of an attitude of arrogance and ego.

And in my mind, the effectiveness, to be an effective leader whether it be a Councillor or whatever capacity you are in Mr. Speaker, is to constantly challenge yourself. To push yourself out of your own comfort zone, to take risks publicly, to confront the status quo, to confront conventional thinking. It's not easy to do Mr. Speaker but to me it is the essence of progressive public policy.

The opposite of that Mr. Speaker is to politically play the game. Keep your head down. Say nothing. Do nothing. Upset no one or few. The best recipe Mr. Speaker to stay here as long as possible. And if you're really good at playing the game and you work your way into the establishment of these chambers and of

this building, slowly your image as a politician starts to change and you start looking more like the image of a professional civil servant. And there is nothing wrong with civil servants, but the grayness between a politician and a civil servant becomes even more gray.

Mr. Speaker we are here to lead and to provide vision for our City. And if you are here quite a long time you even get to learn maybe some of the tricks of the trade. How to kind of quietly get things done behind the scenes, of course for your ward Mr. Speaker and the whole City sometimes takes a second seat. Mr. Speaker I ask myself, how long will we continue to allow the status quo to go on and continue to ignore these ideas?

And I recall Mr. Speaker, the first term I made a point of trying to get together with some of the senior Councillors. And I'll never forget one Councillor a veteran of City Hall when I asked him let's go for lunch, and I want to pick your brain on ideas, how things work around here. Why was the question, what's your problem, talk to me now. I don't have time. Mr. Speaker that was the end of the conversation and that's the culture of entitlement that is there.

And I'm tired Mr. Speaker of constantly hearing well we tried that in '94 and it didn't work or we tried that in '97 and it didn't work, or we tried that in '98 and it didn't work. Well Mr. Speaker guess what, maybe we should try it again and see if it works. That Mr. Speaker is the essence of pushing yourself out of the comfort zone and challenging conventional thinking.

Mr. Speaker I would suggest to you that longevity in one position, no matter what it is, I don't care what it is Mr. Speaker, in any position it is the poison of new ideas. If we reject this again today as has been pointed out by the mover of the motion this idea will be back to Council. Or we need to go to a different direction as was previously mentioned. Maybe we should be looking at a party system here at City Hall because it obviously has its merits and it works at the Provincial and Federal level and it has been pointed out that you can see massive change occur there through the party system. There is accountability because you know what the party stands for and what the party has done or not done and you hold that party accountable.

We all know people have party affiliations here. Maybe we should just say we are going to have a party system. We already have the makings of a parliamentary system. We have a cabinet. We have an opposition in many ways. We have caucus solidarity. Maybe that's what we should be saying Mr. Speaker. One way or the other there's going to be a need for some sort of reform to occur and we're just delaying the inevitable Mr. Speaker.

So my friends I ask you, for every piece of wisdom bequeathed to us by the wise old men, how many new initiatives have also been squashed, stopped or undermined in the process? And I'll give you an example in my view of two initiatives that have been kind of squashed (inaudible) I think. Rapid transit in many ways has been and I would suggest even more recently the Police Commission has been derailed by the so-called wise old men.

The end of the culture of entitlement Mr. Speaker; vote for this and you end that culture. And I challenge those who have served the longest on Council Mr. Speaker to prove me wrong, that the culture of entitlement does not exist by voting for this. Prove me wrong. Thank you.

Mr. Speaker: Councillor Smith followed by Councillor O'Shaughnessy.

Councillor Smith: Yes Mr. Speaker. You know Toronto, Montreal, Vancouver, Edmonton, Calgary, Regina, Saskatoon, Portage La Prairie, New Westminster, Hamilton, Quebec City, Ottawa and every other municipality and city in Canada have rejected term limits.

And you know I was on this Council with Joe Zuken. He added an awful lot to this Council. Term limits would have eliminated Joe Zuken from Council in his latter years.

You know, Councillor Fielding talked about the will of the citizens of Winnipeg. They have the will. They can at every election they can make a choice.

You know I originally was fairly sympathetic towards the idea of term limits and it's probably due to the, Councillor Leipsic's warm enthusiasm for the subject. And she almost persuaded me to go for term limits. But you know, Councillor Fielding and Councillor Leipsic, both defeated, both defeated the Councillors that were here. If term limits, if the idea of someone being here over the years had such an edge, how could Councillor Eadie ever be defeated? It would be impossible if incumbency was so strong.

The fact is Councillor Fielding went out and knocked on doors, represented his viewpoint and was able to in effect defeat Councillor Eadie. And the fact is I defeated the Councillor that was here before me too. So it's not impossible. The idea of incumbency is so strong a factor that you know, that no matter what the Councillor's like they will be re-elected. That's not true.

The fact is, if the voters of some ward want to elect somebody who does nothing, who is not a very good Councillor, doesn't act on behalf of the people he represents or she represents, they should be entitled to do that. Democracy means that you have a choice and that's what we have elections for. Thank you.

Mr. Speaker: Councillor O'Shaughnessy.

Councillor O'Shaughnessy: Thank you Mr. Speaker. I would just like to start with a short aside. I did take Councillor Wyatt to lunch and I want my money back. (Laughter). I could go on at length about this but I'm trying to make a fair number of points very briefly here.

Number one I would point out that a Mayor is a member of this Council. He would be subject to the 12 years not separately under this motion, totally. There is nothing in this motion that separates. The Mayor is a member of Council and what's here is "The Charter be amended to limit the terms of members of City of Winnipeg Council to three terms". So if you're on Council two terms, you put enough together and think you want to take a shot and get your ideas through by being Mayor you could serve one term and you'd be gone. And that's what it says here and that's all it says here. There is nothing else before us.

I'd like to say, I answer the thing about 80%, almost 80% of people winning. Duh! We're the people who won. We've defeated two, three, 10 or some of us hundreds of people who've ran against us. So it's not like they're putting some unknown quality jerk in. They're putting someone who has already proven themselves to the people. I should hope that over half don't get defeated each time. Then the people would be making stupid decisions, wouldn't they? They don't make mistakes.

The polls. The poll of the Chamber of Commerce. Let's go to the Canadian Federation of Independent Business, let's listen to their polls too, as wonderful as those people may be and a Free Press poll. That was no poll. Those people responded at their own will. It wasn't taken as a cross-section. It was, please if you're really happy, take the time out to respond to us or if you're ticked off, take the time to respond to us.

Well let's see now, we've got the half of the people who never vote, they don't think we're any good and none of us won by 100%. None of us. Very few ever, even of those half who voted get over half the total votes unless there is only two people running. So this poll shocks any of you? Sam Katz, popular? When he ran, popular? Did he get half the votes? Not even close. Did he get 25% of the votes? Yes, of the eligible voters. Maybe even 30%. That's it. So it affects you that an unscientific poll shows a few hundred people wanted term limits? Gee, I'm not shocked.

There is of course the argument that nowhere in Canada is there any form of term limit for elected office. We're different, some say. But I just want to

make one major point. I believe and this is not scientific. This is 27, 28 years of experience, 27 years of experience, in my 28th year of speaking, and by the way it's coming to an end. I am not running. This has nothing to do with my future. It does have a lot to do with the future of the City that I will leave behind the governorship of.

This will lead to, back to, part-time Councillors. No one who has to put bread on the table for a family, who is between the ages of let's say 30 and 45, is going to take uncertainly, four to 12 years out of their life and try and get back into the working world, unless they own the company or they are a member of a public sector union who will have guarantee to go back to their job. The rest of us schmucks like me couldn't take that chance.

The day you leave office there is no employment insurance. There is nothing. Nothing. And if you are doing your job you won't have time to look for a job before you leave either. You'd just have a bunch of starving kids I guess unless your spouse or partner whatever has a really good job and can support you but once again that's limiting. So the person who is the breadwinner of a family with children is out if they are not a member of a public service union or don't own a company. I think that's far more limiting and I think it applies to well over 50% of this Council. Now why is that scary? Other than on the face of it why is it also scary? And this is where the experience comes in.

Starting in the mid '90's, Council for the City of Winnipeg wrested control of the City from its administration. Some may say wrongly but very few, I'm sure. The Board of Commissioner system was dumped, we took control. We became in charge of our own house. Our decisions meant something and I think we're a much better Council for it.

Since 1996 City of Winnipeg property taxes are lower. In 11 years there has not been one raise and there has been two or three, two for sure, times when it was lowered. This was done by the full-time Council. The part-time Council I was part of, first as a reporter for three years, then for a number of years as a Councillor, right since the advent of Unicity, except for the first term when I was a reporter, taxes went up 4%, 5%, 6% and more every year. With the part-time Council tax increases averaged more than 5%. In '74 to '96 when we started to take control, taxes more than tripled in this City.

I'm afraid a part-time Council, a vacuum will be created. You won't be able to read 2,000 pages of reports every week. This vacuum will mean the administration as they should, and properly will do, who are full time, will take back that subtleness at least of control. They are interested in providing service and good service and they do and they are very good at it. They don't give a tinker's dam about taxes. And that has been proven in the past.

In the last 11 years instead of your taxes at the City level being slightly lower, in 11 years at 5% they would have much more than doubled. Citizens of Winnipeg's tax bills today would be, on the City's half, would be more than double what they are today if we had the old part-time Council.

What facts do I have? None. I have 27 years of experience around here, of somebody that 9 times out of 9, the citizens have decided to return here. Call me an idiot but don't refer to the people who elected me as idiots. And that's what I'm afraid of and that's what I want to leave you with. I think we need a full-time Council. I think a full-time Council is what has made this Council work. I would ask all of you…

Mr. Speaker: Councillor (inaudible) moves extension of time of two minutes.

All in favour? Contrary? Carried.

Councillor O'Shaughnessy: I would ask all of you to think long and hard before voting. There are merits on both sides I won't question it. But fresh ideas aren't necessarily good and the ones that are good aren't any good at all without the experience to be able to implement them and implement them fairly. Thank you.

Mr. Speaker: No further speakers? Councillor Clement.

Councillor Clement: Thank you Mr. Speaker. I don't know that I can share what I would like to share in 10 minutes but I'll do my best. And by the way, I didn't take Russ Wyatt for lunch. He did drop by my office and we spent a couple of hours and I don't think he learned a damn thing when I talked to him. At least he hasn't used any of the skills I tried to share with him. But he's fine.

The, I rise today because and I guess I'm fortunate. I read the motion. The motion that's in front of me I could support and it wouldn't affect me ever. I can vote against it and it can pass and it won't affect me ever. Because I can guarantee you that I am not going to run three more times Mr. Speaker. I can absolutely guarantee you that. It isn't going to happen. My wife would shoot me first.

The, you know it's interesting I got elected 24 years ago. Nine of those years we were here as part-time people, never had an office, didn't have a phone. We really had nothing. We had a parking pass that's what we had and a locker downstairs. That's what we had. And I can tell you, that as hard as we tried, I don't really believe that we ran this place other than we created some policy. It was run administratively and I'll argue that with anybody. That's just the way it was. It changed over time because we became full-time and started getting into the way that things work.

And the one thing that Michael said about that is accurate. The tax increases were always 3% and 4% and more. They were always above inflation. Every time. And it didn't matter what you could do. In fact I recall one time that Dave Brown and I knew about $8 million dollars that we didn't want to share and a former Mayor knew that we weren't going to and that we had people voting to actually hold the line that year on taxes. And that Mayor slipped that information to a couple of people overnight and the next morning there was $8 million dollars more expenditures on the table that we couldn't control. I saw that happen and I saw it happen more than once. So, there's a lot of different issues.

The first problem that I've got with term limits is that I honestly think that they are antidemocratic. I do. And by the way I defeated an incumbent. He'd been here two terms and I can tell you I come from a part of town that politically is pretty blue and everybody knows that that's my politics too. They're not hidden. But the fellow that I defeated was very, very involved in the blue politics in that area, and I still won. Because it was the people Mr. Speaker that were having a problem. I just happened to be the person that they chose to take him out at the time.

And you know it's interesting, I look around the chamber and I've been here a little while, and I can tell you that there was some very capable people in this chamber that got defeated in their incumbency. Don Gerrie, Bill Chornopyski, Allan Golden, Don Mitchelson, Amaro Silva. These people weren't lightweights. They all carried a big stick in this chamber, I can tell you. I learned from some of them.

In more recent times, I've seen Russ Wyatt take out an incumbent. Jeff Browaty recently. Dan Vandal actually, took out a pretty powerful guy. He was only here a short time but notwithstanding that, pretty influential. Gord Steeves defeated an incumbent. Brenda Leipsic defeated a one term incumbent. What's up with that? And Scott Fielding took out somebody that was here for 26 years and frankly one of the best Councillors that I ever served with. And I know a little bit about that ward as a matter of fact because the watering hole that I go to once in a while happens to be there and it's a blue collar watering hole. And I knew for two years that there was a problem over there. I didn't expect it to turn out the way that it did but a good candidate came along who offered himself up and gave people an opportunity and a choice. And that was the end of that.

So then I look and I see new Councillors, fairly new anyway, Justin Swandel and Grant Nordman and in fact even Harvey Smith and Jenny Gerbasi are only in their

third terms. That's 11 out of 15 people in this chamber over the last three elections. Eleven out of 15 people. So I'm not sure what's not working. I'm not sure frankly what is broke.

I can tell you that I found it interesting that my old friend Paul Moist, who by the way Russ I share a piece with him about every three or four months believe it or not, doesn't like the idea, or he does like the idea of term limits. I can appreciate that and I can see one of his cohorts up there is smiling because the last thing that CUPE wants is experienced Councillors who can argue the other side. Come on. Paul's not stupid. Paul is a smart guy, you know. And I've been through a couple of those battles with him and Eddy Blackman and others over time and it's been interesting watching different Mayors and how the hell you treat that stuff but that's not a surprise to me. That's just common sense from a guy like him. And not a bad (inaudible).

It's not about incumbency, I don't really think. I honestly don't believe that. I know we hear about the various grants we can hand out and that type of thing. Community Incentive grants, I never have enough money. I don't have to go looking for somebody that I can say "Geez I've got a bunch of money do you want to apply for something? I've always got more applications than I've ever got money. I don't have to initiate any of them. That's just the way that it is. And you know, I think it's got more to do with a person's ability to change Mr. Speaker.

And I don't just do my job as a City Councillor. I own a business. And I've been in that business as a contractor for 36 years and I'm damn proud of that too. And it's a service industry Mr. Speaker and you don't last in a service industry, not in this town where people will drive all the way across town to save two bucks on a pail of chlorine. I can tell you can't stay in business if you aren't doing something right. And you can't live in the '70s, and the '80s and the '90s, you have to change. It's called life-long learning. And if you don't change you won't stay in business very long and you sure as hell won't stay in this chamber very long, and that's what it's all about.

And I can tell you, 10 years ago if somebody would have said that I would have stood in this chamber and fought for a $700,000 dollar skateboard park I would of thought they were nuts. If they had told me that I was going to be putting the priority that I do on bike trails and walking paths, I would have told them that I didn't have time for them. But that's what happens. Things evolve like that Mr. Speaker.

And I can tell you something else.

Mr. Speaker: Councillor Gerbasi moves two minutes extension.

All in favour? Contrary? Carried.

Councillor Clement: And it's going to sound a little egotistical but you know it's a fact nonetheless and it's not just the things that I've been accomplishing or got accomplished here. The Charleswood Bridge if there were term limits would not have happened. There was nobody in the administration trying build that bridge. I was trying to get that bridge built and you know what? I had to survive 14 votes. If it was in the 5th year of the capital and it came up and moved to the 4th year somebody would stand up and try and take it out. In fact one of the former Mayors was good at it. He did it every bloody year and drove me crazy. Every year that happened. The Charleswood Parkway.

Lindenwoods has a satellite community centre as does Whyte Ridge. Do you know that together those two communities under our policy don't qualify for community centres but they both have one and I'll be damned if I'm going to apologize for having the experience to figure out how the hell to get it done. That happened and I'm not the only one that's been successful doing those things but you can't learn those things as quick as some people think that you can.

The bigger problem that I have, and Councillor O'Shaughnessy touched on it though and I'll try to sum up with it I guess

because there is a ton of things I'd like to say. My fear of term limits and having people here a short time Mr. Speaker is that I honestly believe that the administration will wind up running the show. Again. And I believe that since we've had the Cuff Report and made the changes that we've made that it's been better for the citizens of this City. I honestly do and I think that that's important.

And all I can say to those that have polls and things, I knocked on close to 4,000 doors. I could hardly walk after the election. I had, my people made 15,000 phone calls, this issue never came up at any door. And by the way I wasn't at all 4,000 doors, I was on the street. I had five and six people with me often times. So there was all kinds of opportunity for somebody to raise it without saying it to me or the 15,000 phone calls that I wasn't making but the volunteers were, it never came up. I just can't imagine how it's happening in another ward so close by where it seems to be such an issue. It doesn't make any sense to me. Thank you.

Mr. Speaker: No further speakers? Councillor Vandal.

Councillor Vandal: Thank you Mr. Speaker. I will be brief. It's been an interesting discussion. I have told my children every now and then that I'm forever going to be etched in the history of the City of Winnipeg because I knocked off not one but two incumbents. Jokingly of course.

In 1995, there was an incumbent who had been here 15 years who was pretty well connected in the red party, who had run at other levels of government and who had 15 years of doling out Community Incentive grants, Per Capita grants and every other grant that the Councillors of the time were managing. Nevertheless there was a strong campaign put forward. There was a lot of citizen participation. I was a decent candidate and was fortunate enough to win.

In 2006, a similar scenario, a larger than life incumbent with a fairly high profile and in fact had the Mayor stumping for him on a couple of occasions during the election. Nevertheless it was a good strong campaign and I was fortunate enough to win.

And to give a balanced view, in 2004 when I ran for the big chair, I was considered the incumbent. I had been Deputy Mayor for a few years and Property and Development and Protection and Community Services and that's all I'm going to say about that race. You have to keep your sense of humour in these things.

Since '95 I've sketched out some names. I defeated an incumbent. Garth Steek defeated Sandy Hyman. Shirley Timm-Rudolph defeated Rick Boychuk. There was a 20% turnover there and I may be forgetting somebody. In '98 Harvey Smith defeated Amaro Silva, a real heavyweight around the executive table. Peter De Smedt defeated Pat Phillips who was an incumbent. And there was one more change which I really can't put my finger on. '02 was also an anomaly as far as I can remember because I don't think there was a lot of turnover there.

But in '06, five Councillors, Councillor Leipsic herself knocked off a very high-profile candidate who was formidable and that was a real accomplishment. Councillor Fielding knocked off I agree, one of the best Councillors I've seen in my time around these chambers. Councillor Browaty defeated an incumbent. And Councillor Nordman won a race. 33% turnover which leads me to believe what's the problem?

I've listened closely to Councillor Leipsic's reasoning, Councillor Fielding, Councillor Wyatt. I've heard about entitlements. I've heard about difficulty in getting elected and absolutely, the hardest, the most difficult job, the most difficult task for the average citizen is getting elected. We're around this table and we're leaders of the City and that's I think a pretty fortunate position that we're all in. We're leaders of our communities and we're here to chart the course for the greatest city in Canada and we should all be proud of that. And if some people want to stay longer than 12

years and continue contributing to the quality of life in their City, I can think of worse things that are goals for individuals, for Winnipeggers.

There is a pretty big elephant in the room and that's called democracy. There is some merit to the other side but I think at the end of the day, the people are never wrong even though I don't always agree with their decision, the people are never wrong. You have to respect it. And I think when there is a change in the air, when there is a solid candidate, when there is good community connections, and this really about community more than the candidate, incumbents will be defeated. And I'm a strong believer in the power of the people. So I won't be supporting the motion.

Mr. Speaker: Thank you. No further speakers? Councillor Leipsic. Did you want to close?

Councillor Leipsic: Thank you Mr. Speaker. I guess first we should open by saying obviously democracy is working. We have had I think an excellent debate here today.

When this began I really wanted to have the motion read two terms of office because that's what I promised my ward that I would serve. But then Councillor Fielding and I went up and down the halls and realized the only way this would be palatable to at least half or hopefully a majority of Councillors would be if we said three terms of office. So we did. Then I asked each and every Councillor, I went to offices, I stopped people, I phoned them, this has been going on since early spring and I said please, I am available for discussion, any concerns, changes you would like, happy to discuss them, you know can we meet and compromise, can we do things?

Some people here did. Some people didn't, and those people know who they are. So I'm disappointed to hear them suddenly stand up today Mr. Speaker and pass their views on. I think it's something we could have done responsibly and maturely downstairs in our offices in advance to see what we could work out. If there was no support, so be it, but at least to discuss. I'm always available for communication.

I would like to point out at this time that Councillor O'Shaughnessy had mentioned how, I believe that your numbers sir, Mayor Katz had basically, I forget how you worded it, but it didn't sound like he had much of a majority. I'd like to point out to you that he won by 61% in the last election.

Councillor O'Shaughnessy: 61% of 50% I might point out, which was my point.

Councillor Leipsic: Sir, I will pass the paper to you, he won over a hundred thousand votes. The next highest was 38,000, then 22,000 and 4,000.

I would also like to point out to Councillor O'Shaughnessy his remark regarding polling. That is something I have knowledge of. I have an advanced BA in Sociology and have studied research and I don't think the Winnipeg Free Press would do a shabby poll. Indeed, they used over 33,000 citizens and it was definitely scientific, by a professional firm.

And I want to also say regarding the remarks about this being a job, a career, a security blanket. I don't treat this as a part-time job sir. I am here probably 8:30 everyday and most nights I'm walking out 5:00 or 6:30 plus I'm going home with a briefcase, plus I'm working weekends and I'm going to events and I'm talking to people, so this is not part-time for me I can assure you. Quite frankly, I don't know how anyone could do anything else while they have this job. I couldn't. Or, maybe it's my ward. We have active people in River Heights-Fort Garry.

I'd like to thank everybody though for your comments. It's been very interesting. I would like to ask you today to think outside the box. Do the right thing. Listen to the people in these polls. Five years, the polls have gone from 50% to over 90%. This is something to be grandfathered in in 2010. Then you can stay three terms as a Councillor. You can stay three terms as a Mayor. I don't know

if that's what your thought was, some of my fellow Councillors.

I view this as a service for our community and it was democracy, you've got to remember, say it again, when it was conceived, democracy had term limits so I think that's a given. History is the greatest teacher.

I would like to throw out to you also, a very interesting quote I found in Hansard. I read, "Civic government is a fundamental instrument of democracy. And democracy by very definition encourages and invites the introduction and debate of new ideas, philosophies and approaches to governance. Democracy is best served by facilitating and making possible challenges to status quo. So in the spirit of above, let Council consider etc. term limits." I would like to point out that this was brought forth September 20th in the year 2000, moved by Councillor Smith, seconded by Councillor Gerbasi. In Hansard. I don't think Hansard is …

I would also like to say in my closing let's do something as a leader. Let's be the first in Canada. Let's have the courage of change. Next election, trust me I'm hearing it, I had many, many emails, phone calls in the last few weeks, voters will be asking how did you vote and why? Do the right thing today.

Mr. Speaker, I would like to say in closing also, I would request a recorded vote. And thank you all for participating in the debate.

Mr. Speaker: Thank you Councillor. A recorded vote has been called for.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Fielding, Leipsic, Nordman, Pagtakhan and Wyatt.

Nays

Councillors Clement, Gerbasi, O'Shaughnessy, Smith, Steeves, Swandel, Thomas, Vandal and Mr. Speaker Councillor Lazarenko.

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

Mr. Speaker: The Motion is Lost.

The time reads about four minutes to 12:00 p.m. Do we have time to do the By-laws? You're moving it be declared lunch?

All in favour? Contrary? We'll reconvene at 1:30 p.m.

(Proceedings adjourned at 11:56 a.m.)

Reconvened meeting of Winnipeg City Council of November 21, 2007 at 1:30 p.m.

Mr. Speaker: Councillors we will reconvene. Continuation at 1:33 p.m. in the afternoon. A fine sunny, cloudy and snowy day. We've had our lunches. We're all perked up and where's the Mayor? Okay there he is.

Okay now EPC Motions, if any? Mr. Clerk there is no motions? No motions. EPC Consideration of By-laws the first reading only Mr. Mayor.

EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS

Mayor Katz: Thank you Mr. Speaker. I move that By-law No. 200/2007 be read a first time.

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

Clerk: By-law No. 200/2007.

Mayor Katz: Mr. Speaker I move that By-law No. 149/2007 be read a second time.

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

Clerk: By-law No. 149/2007.

Mayor Katz: And Mr. Speaker I move that the following By-laws be read a first time, By-law No. 195/2007, 203/2007, 205/2007 and 206/2007.

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

Clerk: By-laws No. 195/2007, 203/2007, 205/2007 and 206/2007.

Mayor Katz: And Mr. Speaker I move that By-laws No. 195/2007, 203/2007, 205/2007 and 206/2007 be read a second time.

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

Clerk: By-laws No. 195/2007, 203/2007, 205/2007 and 206/2007.

Mayor Katz: Mr. Speaker I move that the rule be suspended and By-laws No. 195/2007, 203/2007, 205/2007 and 206/2007 both inclusive, be read a third time and that same be passed and ordered to be signed and sealed.

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

Question Period.

EXECUTIVE POLICY COMMITTEE QUESTION PERIOD

Mr. Speaker: Councillor Gerbasi. Your first question.

Councillor Gerbasi: One of these days he's going to look at someone else first.

Mayor Katz: I love looking at you. The Speaker won't let me.

Councillor Gerbasi: Mr. Speaker, my question for the Mayor is last year Council gave a grant of $45,000 dollars for the start up of a Poverty Reduction Council and it's my understanding that we also agreed at that time to appoint a high level administrator to that committee, and our appointee was the former CAO Annitta Stenning. And I'm wondering if there has been a new appointment to that position and also if the Mayor could give us an update if he has one, on what that committee has achieved so far?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Thank you Mr. Speaker. I would be happy to respond to that question. Councillor Gerbasi is correct there was a grant of $45,000 dollars given. It was to the United Way and they do have a committee, and former CAO Annitta Stenning was on that committee. She obviously no longer is. I did get a briefing prior to Annitta Stenning leaving her position.

The committee have met. They were expecting to give me a report prior to the year end. I'm hoping that is still their goal. I will certainly follow that up. And I believe, as a result of the fact that being the CAO, there has been discussion of in the interim, the acting CAO be part of that committee but that decision to my knowledge has not been finalized.

Mr. Speaker: Councillor Gerbasi your second?

Councillor Gerbasi: I'll jump to another issue. The issue of the privatization of the rail line that goes to service the water supply at Shoal Lake came up again briefly in the Scott Fielding report on eliminating the business tax. And I'm just wondering if there is a report that the administration has written. I expect they've been asked for one so that all Councillors could have, so that we can know the opinion of the department? I don't believe that report has been publicly tabled, if you could just clarify that for me.

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker I'm not directly aware of any dialogue from my office or EPC regarding the privatization of the rail line. I know that we certainly were exploring whether or not the City requires a rail line or whether there are other options of accomplishing our goal, and I'd be happy to follow that up for Councillor Gerbasi.

Mr. Speaker: Thank you. Your final, third.

Councillor Gerbasi: Okay. My last question had to do with the issue of housing. I've asked before about the Federal government's position on continuing the WHHI type of program following its expiration in March '08 and all indications are that they don't really seem that interested.

And I guess I'm wondering, I wanted to ask the Mayor is will the City of Winnipeg continue to fund the WHHI programs or even increase that funding as it's been suggested by the Housing Committee, for the housing improvement zones even if the Federal government leaves the program? Or what will we do, what is our commitment to the housing program following March of 2008? Thank you.

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker. I thank Councillor Gerbasi for that question. As Councillor Gerbasi is aware of, when I was Mayor I took the initiative to make the financial contribution to the Winnipeg Housing and Homelessness Initiative a line item, as we know in the past it wasn't. I believe that showed commitment. And I believe since then and I still believe today, that should be continued.

And depending what happens during the operating budget talks, I'm sure they would talk about potentially, as Councillor Gerbasi has mentioned, increasing it. I certainly can't make that commitment right now, those conversations will take place. I certainly have every intention of holding the line where we are at. I think Councillor Gerbasi knows how long it took us to get there.

I believe it's a program that works well and I can also tell Councillor Gerbasi I think it's incumbent upon me and every member of Council to let the Federal government know that this is a valuable program and they should consider it and not to accept the fact that they may not continue and support that program.

Mr. Speaker: Councillor Vandal your first question.

Councillor Vandal: Thank you Mr. Speaker. To the Mayor, in June of 2004, you made a promise to Winnipeggers. You promised to Winnipeggers that you would create a Public Utility Board style oversight for water and sewer utilities and that you would end the transfers from the sewer and the water utilities to general revenue. Since that time there has been approximately $130 million dollars transferred from the water rights to general revenue. Can you tell this Council why you have broken that promise to Winnipeggers?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker I thank Councillor Vandal for the question. If he reads the motion which is in front of him he can see where it says "whereas Mayor Katz committed in his election platform of 2004 to end the long-standing practice of transferring funds to general revenues from the water and sewer utilities and committed to bring these utilities to a position where their rates could be subject to a standard public utility board review if desired." Mr. Speaker I was the only candidate running for Mayor who made that commitment. The reason I made that commitment is because the policy that we have is wrong. And every promise that I made, I fulfilled to date.

And I would say to Mr., to Councillor Vandal, to use the terms "broken promise" is totally inaccurate. As I came back from the lunch break today from the football club, I am still Mayor and I expect to accomplish this in my term as Mayor. And I wish other people had had the same commitment to do this. As you know, Mr. Speaker, this has been a commitment that goes back long before

me, and no one else seemed to care to change it. We will change it. I'll do it as Mayor with the support of Council.

Mr. Speaker: Your second question Councillor Vandal.

Councillor Vandal: $130 million dollars later from your commitment to Winnipeggers, do you not feel that that $130 million dollars would have gone to better use trying to address our environmental requirements under the Clean Environment Commission rather than go to general revenue?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Councillor Vandal, Mr. Speaker should be aware of the fact that when I became Mayor this City faced serious problems. Problems that weren't created by the people sitting here, but we faced serious problems.

It was pointed out earlier how we had projections that were made for revenues that were inaccurate. How we would project what we would be spent on police advertising, we were inaccurate. All we were doing was plugging numbers and when you talk about money, a policy that was created when Councillor Vandal was part of this Council, prior to me and many of the Councillors here that policy started with them.

But you know what Mr. Speaker, it has fulfilled helping solve the problems that were created. This money just isn't poured into a deep hole. It's used to solve those problems and will continue to do so until we change that problem Mr. Speaker, which is a motion I have on the floor Mr. Speaker.

Mr. Speaker: Councillor Vandal your third and final question.

Councillor Vandal: Yes. There is a report that we are soon to be discussing which proposes a 12% increase for water and sewer users for 2008. That will be a 25% increase in two years for water and sewer users. Do you feel that with a 25% increase in water and sewer users that it is still appropriate to transfer $32 and a half million dollars in 2008 to general revenue?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker I'm going to defer that question for about an hour until we get to that issue and at that point in time I will answer that for Councillor Vandal.

Mr. Speaker: Councillor Smith your first question.

Councillor Smith: Yes. Mr. Mayor, can you give us an update on the $200 million Olywest pork processing plant project that you supported? Has Olywest communicated with your office on the status of the project and what about the $10 million dollars in local improvements with the project?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker to my knowledge and if Councillor Smith knows something different I would appreciate him sharing with us. I think we all know and we've read the reports and it has certainly not been denied, that project is not taking place. It's dead. End of story. There is nothing further to discuss on it to the best of my knowledge.

Mr. Speaker: Your second question.

Councillor Smith: They have not communicated with the City at all?

Mayor Katz: Mr. Speaker I have had no communication with Olywest. We all know that there has been communication between Olywest and the Province and that's all I'm aware of.

Mr. Speaker: Your third and final question Councillor Smith.

Councillor Smith: Mr. Mayor, the Mayor of Toronto and more recently the Mayor of Mississauga have been waging a campaign to get increased Federal dollars for cities. Why are you not joining them in this fight for increasing Federal funding for cities?

Mr. Speaker: Mr. Mayor.

Mayor Katz: It's rather unfortunate that Councillor Smith, Mr. Speaker would ask that question. Whenever we are at the Big City Mayors or FCM meetings, that is all we do and we all support that. It's not the Mayor of any one City that supports that, its every Mayor in every City that I've ever encountered is supporting that all municipalities share in growth revenues, whether it's PST or GST.

And if Councillor Smith is of the opinion it's just one Mayor, he is absolutely incorrect. There are some Mayors who may be looking for head lines but we all fully endorse getting a share of growth revenues from the Federal government.

Mr. Speaker: Thank you. The second time around. Councillor Gerbasi.

Councillor Gerbasi: Thank you. I raised this question at the last meeting and I just want to take it a little bit further regarding the garbage collection, just to put the comments officially on the Council record.

Questions remain about the true and accurate amount of savings by this contracting out of the residential garbage collection. There is other concerns about how much monopolization of one company is occurring, about possible hidden impact, hidden costs related to keeping the landfill site open later at night and things that are making it appear profitable.

And I'm very concerned about the accuracy of these numbers. There hasn't been an official report tabled. But beyond the report tabled from the department which would be helpful, would the Mayor agree to ask the Auditor to consider evaluating this whole notion of 100% contracting out of garbage that Council approved a few years ago?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker I thank Councillor Gerbasi for that question and I did respond to Councillor Gerbasi and told her that according to the department, we saved $2.4 million dollars per year in ’06 and ‘07. Because one of them was prorated, the entire savings was $4.3 million dollars. This is the information given to me by the department. If Councillor Gerbasi has some information that she would share with me that shows this is inaccurate, I would be happy to look at it further.

In response to her request to ask the Auditor to look into this, my answer today is no because I've already done that. I've already made the request of the Auditor to look into this further and determine whether or not what we're being told our savings are, are actual savings. And as Councillor Gerbasi knows, we do not tell the Auditor what to do. We can certainly make suggestions. It's up to them to finally decide but Councillor Gerbasi can rest assured that I have made that suggestion.

Mr. Speaker: That's it. Councillor Vandal your first question.

Councillor Vandal: The City of Winnipeg has approximately $350 million dollars in various reserve accounts. Would you consider Mr. Mayor dipping into those reserve accounts rather than gouging Winnipeggers for another 12% water rate hike in 2008?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker once again, I am going to hopefully answer all of Councillor Vandal's questions when this issue comes up. There is no point being redundant and I will obviously address that then and I'm sure he will have his own comments at that particular point in time.

Mr. Speaker: Your second question.

Councillor Vandal: Can you tell this Council what the plans are for the operating budget in terms of property taxes and business taxes in 2008?

Mr. Speaker: Mr. Mayor.

Mayor Katz: As Councillor Vandal is aware of we are just completing the capital budget. The operating budget will

be commencing very shortly. I'm sure he knows how that operates from previous experience.

And as far as property taxes Mr. Speaker, I have heard of no inclination at this particular point in time from any Councillors as far as raising property taxes, so I'm sure our goal will be to maintain where our property taxes are.

And as far as business taxes, we've always said, we've already started on that process. It has been lowered by 20% across the City and any further reductions would be part of the operating budget process, which has not commenced as yet. So obviously it would be premature to make any comments on a process that has not even started Mr. Speaker.

Mr. Speaker: Third and final Councillor Vandal.

Councillor Vandal: Would you have any concerns with reducing property taxes in '08 while you've raised water and sewer rates 25% over the last two years?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker once again, it appears most of these questions regarding water and sewer are coming over and over again and I will attempt to hopefully address the Councillor's questions and comments. I certainly do not believe some of the questions were accurate whatsoever but I know we will have a very vibrant discussion probably within the hour on that subject.

Mr. Speaker: Councillor Thomas your first question.

Councillor Thomas: Thank you Mr. Speaker. Since the Mayor brought up election promises that he made when he was first running for City Council, I would like to remind the Mayor that he made a commitment to reduce seniors rates at the fare box and I would like him to answer the question of what was the rate that the seniors were paying at the fare box when he first got elected and what's the rate that they are paying now and the rate they will be paying after this increase to seniors fare box is approved?

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker first of all to clarify, I didn't bring up election promises, Councillor Vandal brought up election promises. I responded to the question. Number 2, I believe that Councillor Thomas is already aware of the fact that we did make a reduction in seniors transit after I was elected. That was one of my commitments and it was fulfilled, and we will continue to do the best we can with that. And as everybody is aware of in this proposal coming forward, we have frozen the rates of seniors passes.

Mr. Speaker: Councillor Thomas your second question.

Councillor Thomas: Yes. The reason I ask what the rate was Mr. Speaker, when he came on and what it is now is because while it was decreased one year, it was increased after that and it's now quite a bit more than it was when he first came on Council. So I'm disappointed in that response but I have got my response. Thank you.

Mr. Speaker: Okay there is no question. No further questions? Councillor Smith.

Councillor Smith: You know the last part of my questions I asked you what happened with the $10 million dollars in local improvement with the pork processing plant. We passed a clause to deal with infrastructure with that plant.

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker I'm sorry, I thought I addressed that but I'll try and do it again. My understanding is that nothing proceeded until the plant became a reality. The plant hasn't become a reality so nothing has been proceeded with.

Mr. Speaker: Thank you. No further questions. Councillor O'Shaughnessy.

Councillor O'Shaughnessy: Mr. Mayor does all this mean the love-in is over at City Hall?

Mayor Katz: Mr. Speaker from my point of view, I very much relish the questions. I love people asking questions and I'm happy to try to address them. I think that's what we're here for. Question Period, I'm sure some will agree is probably the most exciting part of our Council meetings.

So from my point of view, I encourage questions and I would love to see everybody ask questions as opposed to just a few people going over and over again. But as long as those people ask questions, I will be here to answer them.

Mr. Speaker: You still have eleven minutes and 12 seconds. No questions? No further questions? We will continue on. The report of the Standing Policy Committee on Property and Development, the report of October the 30th, 2007, Councillor Swandel.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED OCTOBER 30, 2007

Councillor Swandel: Thank you Mr. Speaker. I'm pleased to introduce the report and move adoption of the Consent Agenda Items 1 to 15.

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

Councillor Gerbasi: Mr. Speaker I'd like to be recorded in opposition to No. 5.

Mr. Speaker: Okay, you are so recorded. Councillor Swandel report of November 13th, 2007.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED NOVEMBER 13, 2007

Councillor Swandel: Thank you Mr. Speaker. I'm pleased to introduce the report and move adoption of the Consent Agenda Item No. 1.

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

Motions. None. Mr. Clerk? No motions. Consideration of By-laws, second and third reading only, Councillor Swandel.

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

Councillor Swandel: I will move that By-law No. 140/2007 as amended be read a second time.

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

Councillor Swandel: I will move that By-law No. 140/2007, as amended, 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 Swandel: Mr. Speaker I will move that the following By-laws be read a first time. By-laws No. 190/2007, 191/2007, 192/2007, 193/2007, 196/2007, 197/2007, 198/2007 and 199/2007.

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

Clerk: By-laws No. 190/2007, 191/2007, 192/2007, 193/2007, 196/2007, 197/2007, 198/2007 and 199/2007.

Councillor Swandel: Mr. Speaker I will move that By-laws No. 190/2007 to 193/2007 both inclusive, and 196/2007 to 199/2007 both inclusive be read a second time.

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

Clerk: By-laws No. 190/2007 to 193/2007 both inclusive, and 196/2007 to 199/2007 both inclusive.

Councillor Swandel: Mr. Speaker I will move that the rule be suspended and By-laws No. 190/2007 to 193/2007 both inclusive, and 196/2007 to 199/2007 both inclusive, be read a third time and that same be passed and ordered to be signed and sealed.

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

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT QUESTION PERIOD

Mr. Speaker: Question Period. Councillor Thomas.

Councillor Thomas: Yes, I have to get into my email for this item so pardon me a moment. This has to do with the old Kelvin Community Centre site. And the East End Aboriginal Resource Centre sent in a request in July the 9th, asking since they are looking for a home, and they asked if they could use that site.

And since then I've discovered that there are some preparations being made for the demolition of that site and I would like to know if Councillor Swandel knows whether the administration has talked with the East End Aboriginal Centre and whether or not they just couldn't come to agreement or what has happened there?

Mr. Speaker: Thank you. Councillor Swandel.

Councillor Swandel: Thank you for the question Mr. Speaker. No, I am not aware of whether or not the administration has talked but I can provide the Councillor with the address, phone number and email address for the person in the administration who could answer those questions.

Mr. Speaker: Thank you. Your second question Councillor Thomas.

Councillor Thomas: I'd appreciate that and I'll provide Councillor Swandel with a copy of the email that was sent at that time. Thank you.

Mr. Speaker: That's not a question. Okay that's it? No further questions? Councillor Vandal.

Councillor Vandal: Yes, Plan Winnipeg is about two years overdue. I'm wondering if Councillor Swandel could share with this Council where we're at with the Plan Winnipeg review.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you. It's actually an EPC item, Plan Winnipeg, but I'll be glad to answer the question.

At the end of 2006 we did notify the Provincial government that we had begun the process, the Plan Winnipeg review. In last year's budget we approved numerous items. I believe that probably the largest one was in the capital budget for Public Works. We approved some $800,000 dollars for an origin destination study that will form part of the work. And we are going to be doing a Plan Winnipeg in the very near future.

I hope that we can come to Council with a briefing, a seminar on what the shape of it will look like. We are talking with the Province who are usually a partner in Plan Winnipeg processes, regarding some additional funding so we can do more this time than we have done in recent history, and hopefully really deliver a document that has got more of a solid plan to it as opposed to a vision.

Mr. Speaker: Councillor Vandal that's it? No further questions? Standing Policy Committee on Protection and Community Services. No report. Motions, if any? None. Addendum. Consideration of By-laws Councillor Steeves.

STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES CONSIDERATION OF BY-LAWS

Councillor Steeves: Thank you Mr. Speaker. I'll move that the rule be suspended and By-law No. 207/2007 be read a first time.

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

Clerk: By-law No. 207/2007.

Councillor Steeves: I'll move that By-law No. 207/2007 be read a second time.

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

Clerk: By-law No. 207/2007.

Councillor Steeves: I'll move the rules be suspended and By-law No. 207/2007 be read a third time and that same be passed and ordered to be signed and sealed.

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

**STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES
QUESTION PERIOD**

Mr. Speaker: Questions. Councillor Thomas.

Councillor Thomas: Yes. I've just got to get into my email again. I would like to thank Councillor Steeves for updating me with what happened to the foot patrols. And he states in his email to me, which I'm very thankful to, that the foot patrols dedicated in 1995 later became zone officers who were assigned to patrol cars.

And I am trying to figure out what change we made to allow these officers to come out from being foot patrol officers to suddenly get back in their vehicles because there was a whole philosophy behind having foot patrol officers and they've been turned back into respond rather than proactive. So I would like to know where those changes occurred because I don't remember ever voting on those changes. Could you please…?

Mr. Speaker: Thank you. Councillor Steeves.

Councillor Steeves: It may come as little surprise to you Mr. Speaker and the rest of Council that I enlist the help of administration to come up with these responses. I don't know the specific answer to this question. Like I did with this bit of information as provided, I will further endeavour to get the information Councillor Thomas requires. I regret I don't have that specific information.

Mr. Speaker: Thank you. Your second question Councillor Thomas.

Councillor Thomas: My second question has to do with the question that I asked with regard to the beat officers and it does say one number beat officer and two with regard to the obligation. And I would like to point out to Councillor Steeves that the part about the beat officers…

Mr. Speaker: What is the question?

Councillor Thomas: wasn't answered and I would like to know if Councillor Steeves knows what happened to the two beat officers in the area, one in east Elmwood and one in west Elmwood. Why they were pulled because they opened with ribbons cutting and everything and then they disappeared.

Mr. Speaker: Okay Councillor. Councillor Steeves. Councillor Steeves.

Councillor Steeves: Mr. Speaker, very similar answer to the one that I just gave. What I am going to do I think what would probably make the most sense is in these types of issues that are obviously pretty operational, but not that the Councillor doesn't have the right to know these issues in her community, what I think I will do is I will simply ask administration to contact her directly to deal with these issues. That's probably the most expeditious way as opposed to me trying to have the administration look through their history and provide the answer. I think that's what I will do with everyone's permission.

Mr. Speaker: Okay. Councillor Vandal your first question.

Councillor Vandal: Yes. Councillor Steeves you confirmed last week that tasers have been used approximately 150 times in the City of Winnipeg. While comparatively in approximately the same time period, the entire Province of Quebec have used tasers 51 times and the City of Toronto, 66 times. Do you have any idea why the City of Winnipeg is using the tasers proportionately so much more than other cities or other Provinces?

Mr. Speaker: Councillor Steeves.

Councillor Steeves: I was hoping Councillor Vandal would continue with the one other City we heard about which was Edmonton which I think used them about 400 times was my information, so there is a bit of disparity in the different cities to be acknowledged.

Here is what I've done Mr. Speaker, pursuant to the rather unfortunate outcome in the Vancouver airport in the very recent past, the subsequent video that was released and I was quoted in the media and properly so. I've gone back to our administration. I've asked them about tasers incidentally in the same way that any else in this Council could do so. And I've been informed that there is a reasonably rigorous process with respect to taser use, ie. policies as to what the training is and who can use them. What the protocol is for using them and then the reporting after one is in fact used.

My information from speaking with our administration is fortunately, touch wood, there has been no incidents in the City of Winnipeg of someone being permanently, in the medium or long-term harmed by tasers. Obviously there is some short-term issues with being struck by a taser but that's what they're designed to do of course as we are all aware.

I want to be a little bit careful about a few things, just to conclude. Councillor O'Shaughnessy who is arguably less diplomatic than me has suggested that it's better than other forms of force. But, when we are talking about other cities we have to really consider how the reporting is done.

I do know that when we talk about things like taser use there are different ways, our administration classifies taser use, ie. they can be used in a threatening manner in the same way that a gun can be drawn but not fired. My understanding is that they have a beam that can be pointed at somebody and the beam can show up on a person's body and of course it acts as a deterrent for further poor behaviour and that's the type of incident we're counting as "use". We have to make sure that we're comparing apples and apples. I don't know for example, if Montreal and Toronto is using the same reporting structure that we are.

To get a fulsome picture I would also like to know personally, are Toronto police or Montreal police or Edmonton police preferring or not preferring to draw firearms in certain circumstances where our people are making the choice to draw tasers. We have to be a little bit careful Mr. Speaker about these comparisons on anecdotal evidence.

I am not in a position by the way and likely the same position as Councillor Vandal to verify any of the numbers we've heard about any of the other systems or more particularly and probably more importantly, the details behind them.

Mr. Speaker: Councillor Vandal, that's it? Councillor Gerbasi.

Councillor Gerbasi: Just wanted to follow up on Councillor Vandal's question. The Standing Committee, it seems to me to be the appropriate committee to look at this issue of tasers. It's being looked at in many other levels of government, it's being discussed.

And I requested actually a few weeks ago, before this incident happened, that our Committee have a full briefing on, an update, and provided with factual information of what our policies are about tasers, how it's working, and all of these issues. Would the chair be willing to have that at our next meeting of the Standing Policy Committee?

Mr. Speaker: Councillor Steeves.

Councillor Steeves: No difficulty with a briefing. Councillor Gerbasi quite correctly did ask me for this information and I want to stop for moment and commend that sort of behaviour. I appreciate when Councillors come forward outside of this chamber and ask me for information as Councillor Gerbasi did on this occasion.

I am going to suggest that we do exactly this. I'm in contact with administration as to the best way to do this. Would it be best done in public or best done maybe outside of a public venue? That is one

thing that I've asked administration to consider. And I will have an answer for her shortly.

Mr. Speaker: Thank you. No further questions? Standing Policy Committee on Infrastructure Renewal and Public Works, report of November 6th of 2007, Councillor Clement.

REPORT OF THE STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS DATED NOVEMBER 6, 2007

Councillor Clement: Thank you Mr. Speaker. I'm pleased to move the minutes of the Public Works meeting of November the 6th and I'll move Items 1 and 2 as Consent.

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

The report of November the 13th of 2007.

REPORT OF THE STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS DATED NOVEMBER 13, 2007

Councillor Clement: I'm pleased to bring forward the report of November 13th and I will move Items 1, 3 and 4 as Consent.

Councillor Gerbasi: Item 1 please.

Mr. Speaker: Item 1. And 3 and 4.

All in favour? Contrary? Carried.

Councillor Gerbasi or Councillor Clement Item 1.

Councillor Clement: Thank you.

Item 1 - 2008 Transit Fares
File TT-2

Councillor Clement: Yes thank you. Mr. Speaker I'll introduce Clause 1 and move it.

Councillor O'Shaughnessy: Don't you move the amendment first?

Mr. Speaker: There is an amendment here.

Councillor Clement: No the amendment is with Clause 2.

Councillor O'Shaughnessy: There is another one on 1.

Mr. Speaker: There is an amendment. Just the amendment Councillor Clement.

Councillor Clement: First of all in speaking to the amendment, well maybe you want to introduce it…

Councillor O'Shaughnessy: Shouldn't the amendment be introduced first (inaudible)?

Councillor Clement: Do you want me to introduce it first?

Mr. Speaker: Yes. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. I'm not sure exactly we're in the right order here. I think I, I thought I would speak to the…

Councillor O'Shaughnessy: The amendment.

Councillor Swandel: And the Clause at the same time. But he still has to, Councillor Clement still has to introduce the…

Mr. Speaker: Councillor Clement excuse me Councillor Swandel. Councillor Clement you introduced Clause 1 didn't you?

Councillor Clement: I'm getting lots of help and I should just be looking at you Mr. Speaker.

Mr. Speaker: Because that there is an amendment to the Clause.

Councillor Clement: Anyway Mr. Speaker I'm prepared to move the, move Clause 1 which is the issue about Transit fares. There have been a number of delegations both at Public Works, actually, there wasn't one today because I think Mr. Ternette chose to speak to

something else but there was a lot of discussion about how we would do this.

In the end you need a certain amount of money to run your system and I think that it's fair to note Mr. Speaker, that for every dollar that it takes to run the Transit system operationally that approximately 50% of that money is coming from the Province of Manitoba. Approximately 25% of that money is coming from the City of Winnipeg taxpayers, and approximately 25% of that cost is being borne by the fare box, the users. When we looked at this, its, there I mean and there is lots of different ways you can bring it forward, but there was a requirement to have some increased revenue.

We didn't change some of the ticketing. The full and reduced Handi-Transit and post secondary monthly bus passes remain unchanged, as an example. One of the reasons for that frankly is that the idea was that maybe more people would ride the bus if they bought a monthly pass and used it for not only their work trips but also trips on the weekend or in the evening and that type of thing. I know my wife actually uses one to go to work and the way that they are structured frankly isn't the greatest because I think if you miss one day of work, the monthly bus pass actually isn't worthwhile having.

So there has to be a little bit of change in the way that we think around those things and so the idea was that if you leave these, some of these passes in place that maybe more people would buy them and use them more often. That may be not the right thinking but it was where we landed.

It was suggested here earlier today that this is a 12-1/2% increase. Well it is in cash fares, I accept that. But it's not a 12-1/2% increase in all the other fares. The reduced and senior cash fares are increased by 10 cents. And all forms are reduced and the Handi-Transit tickets are increased by 10 cents. Those aren't huge increases across the board Mr. Speaker. The one that is, is the first one. So, and I might note that senior tickets and passes remain 50% less than the equivalent full fare, right across the board.

So it was this year's attempt at trying to provide a balance and hope that we were able to spur some ridership. And the administration in Transit was frankly the ones that ultimately brought this forward. And we accepted it. So I'll move it. I'll wait to hear what others have to say and then close later. Thank you.

Mr. Speaker: Thank you. There is an amendment, an amendment here by Councillor Swandel.

Councillor Clement: Do you want me to speak to that too, or do you want him (inaudible)

Mr. Speaker: Councillor Swandel will introduce his amendment.

Councillor Clement: Okay. I don't have a problem with it anyway.

Motion No. 1
Moved by Councillor Swandel
Seconded by Councillor Vandal

WHEREAS an increase in the maximum age of children who use transit services for free would help offset any financial hardship that families who rely on transit as their primary means of transportation might encounter;

THEREFORE BE IT RESOLVED THAT an additional recommendation be added to Item 1 of the Report of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 13, 2007 which states that:

Maximum age for free ridership be increased from the current 4 years age and be set at 5 years of age;

The ages for Youth rates be adjusted from the current 5 to 16 years of age and be set at 6 to 16 years of age.

Councillor Swandel: Can I introduce it and speak to the Clause at the same time? I wouldn't waste so much time Councillor Thomas. I think I can bundle it all together in the interest of expediency.

Well if I am only allowed to introduce the clause, I'll introduce the clause. What's in front of you is a Motion to raise the age of free ridership from 4 years of age to 5 years of age. Basically also to adjust the youth fare to start at 6 years of age instead of its current 5 years of age.

Where that came from Mr. Speaker was at EPC there was a presentation by a young lady who, it was a good presentation and good representation. She spoke of her family, her, her husband, her three children. She talked about the carbon footprint that they leave in this world, and that because they are dedicated Transit users they leave almost no carbon footprint but yet they don't get the same rewards as say somebody like Councillor Leipsic who bought a hybrid vehicle and will get, if she had bought it new would get a rebate from both the Provincial government and the Federal governments.

And she went on say that one of the things and the way she understood why we were structuring fares the way we were, but for her in her particular case, that because she had three children, her and her husband would use bus passes on a regular basis, so freezing the bus pass rate was a great thing. But for her children with the slight increase in the reduced fares that it would have an impact on their family and they may choose not to take the bus because the kids didn't use the bus enough to take advantage of bus pass rates as opposed to bus ticket or cash fares.

So from that Mr. Speaker I tried to find a way to rationalize some dollars. The only way that I found it would be expedient at this time to do something would be to raise the age of free ridership from 4 years of age to 5 years of age. It will have a minimal impact on the budget but those families that are choosing Transit as their means of ridership where they have several children, hopefully they'll have one of those children that falls in that category and this will enable them to continue to use the bus.

And it may also encourage families to choose the bus as their means of transportation now that there is this opportunity for the 5 year old child to take the bus for free. It may be the most cost effective way for some families to use our Transit system.

So I know it's a small matter but it certainly goes to address some of the concerns. In having this debate that we have pretty well every year, we're sort of dealing with social welfare issues you know, that are really aren't our bailiwick and I know we all wrestle with it whether we are in favour of this or against it. It's a terrible debate to have and hopefully this small amendment will go a long way in helping resolve this debate today.

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

Councillor Thomas: Yes, I'll be supporting the amendment but I won't be supporting the Clause. In speaking to both the amendment and the Clause, first I'd like to call you to page 4033, which is an attachment on it and I just wanted to clarify something. We are now if you note the attached chart, paying 53% of the revenue, comes from what they call system generated or at the fare box. It's only the other 47% which is now shared 50/50 between the Province and the City. And you will notice under the conversation there, that the City tax supporting has been decreasing and the Province funding has been increasing from 2005.

So rather than encourage the Province to come up every time the Province has been giving us an increase, we've been decreasing our share, which has led to a problem in that the number of hours of Transit has not increased. The head times between buses on various routes has not decreased, and the number of routes has also remained stagnant.

Because as we've encouraged the Province to increase their portion, they had flat-lined us since 1992 at $16.9 million dollars of revenue and they haven't been increasing that and you'll notice that finally in 2005 they did start to increase that. But instead of keeping our commitment encouraged them to go up,

we've made it easier on the Province and tougher on ourselves by decreasing our commitment.

That has led us to have I think in the systems across Canada and I can't find that other chart here. We have one of the highest amounts coming from the fare box, and one of the lowest amounts coming from subsidization from our taxpayer and from the, from revenues from other levels of government. And with this increase that will continue to compound the problem, making it more on the user of the service and less on general revenues.

Now this means that a lot of people who rely on Transit as their only mode of transportation are going to have a problem. Particularly people who are on Handi-Transit and that's their way of getting around, they're going to have a problem. For the longest time out of fairness we kept the rate for Handi-Transit the same as the rate for regular Transit. That's going to not happen this year and I am against that. And the people who use Handi-Transit have no other options as the delegation that came here earlier today said that the rules are getting tougher and tougher for people to use Handi-Transit.

I've had a number of people who've come up to me as one of the highest level of seniors in the City. I have a number of people who come up to me and say they quit driving. They can't drive their vehicle anymore and have been told that they have to use Transit and they can no longer, they can't use regular Transit because they've had for a number of years, adapted vehicles and have been surviving getting places in vehicles that have been, that they've paid for and adapted themselves, and have been put through the mill by our Transit system and some people don't understand why they are just not able to get on Transit or why they can only get one way.

And I think part of the problem is, is we're not continuing to put the level of revenue that we had from our City coffers back in 2004, we don't have that level of money there so we were not able to assist the seniors that are coming on stream that can no longer get around themselves and are trying to rely on Handi-Transit.

So I'm disappointed that we're decreasing the funding to the system as a whole. I'm particularly disappointed that the seniors in my area are having more difficulty accessing Transit. And I am disappointed that we've eliminated that fairness item for the people who are finding themselves in a position of having their only option, which is Handi-Transit.

I am disappointed what happened. We had a blip in 2005 where we had seniors pay less but now they pay a third more than they did in 2004, and it looks like that's going to continue again. And finally, what I'm disappointed in is that we continue to hit the poor by saying if you buy a pass you can get a break. But if you buy fare at the time, then you're going to be penalized for that.

That means that the people who are on lower income who can't shell out the $50, $60 at one time to get themselves a pass, are being penalized further by having to pay a higher rate than those who can afford to pay a lower rate because they buy 10 tickets in a bunch, they buy a monthly pass as a bunch and their rate is subsidized for that. But the people who are struggling to make it from day-to-day and who are struggling to get the $2 to get themselves on the bus and taking a couple of children on the bus with them when they're going grocery shopping or whatever, are going to continue to subsidize the system for those who can afford to pay more. And that's not good.

Which is why I will be supporting the amendment. I think that a parent who's got to go to the grocery store or the bank or do any of the running around that a parent has to do, a child who is not in school until, full time until they are six and go into grade 1. So if a parent has a couple of children that are five years of age and under they will find themselves in a position of having to take those children to the grocery store with them or to the bank with them or wherever else they might be going.

And I will support Councillor Vandal's Motion, pardon me, Councillor Swandel's Motion to increase the minimum rate, increase…

Mr. Speaker: Councillor Gerbasi moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Thomas: for free transit from four to five. I do think that that is laudable but I cannot support any of the others because it hurts the people who can least afford to pay. And not giving them any increase in service. Thank you.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. I will not be supporting the fare increases proposed. I will support the Motion as well. Certainly it's a small improvement for families which it certainly is difficult for families to travel on the bus. It's very costly for a family of that size. So I appreciate the Motion.

I'd like to mention, just comment a bit on the process. I alluded to it earlier that the proposed Transit fare increases were announced in an extremely short time frame and surely this could be done better in the future. It really limits the public's opportunity to participate in the debate. We had a big debate about democracy today. This is the type of thing we can change.

Nonprofit and advocacy groups have to discuss issues at the board level and vote on an issue before they can come forward and take a position and individuals read about it in the paper after the agenda is published and they don't have time to react to something as important as changes to our Transit fares.

However, I would mention one quick way to gauge the views of the public, particularly the views of young people is to see what's happening on Facebook although you're not allowed to on this computer. But there is a Facebook site called "Stop Winnipeg's Transit Proposed Fare Hike" that started up just a few days ago last week and it already has over a thousand people signed up to that site which I think gives you some idea of the really, what we've heard on Transit fares from the public is really just a drop in the bucket to what the public response would be if there actually was enough time to have a real public debate on the issue.

The fare increase to the cash fare, I was quite concerned about that in the past when it was talked about being raised. It's being raised 25 cents which is far too high. 12.5% is massively beyond the rate of inflation and that does affect the people. The people who use the cash fare often are the ones who really can't afford bus passes. So I'm quite concerned about that.

The other increases of 10% per ticket, $1 a sheet per ticket, applies to people with disabilities who use Handi-Transit have those increases applied. And people with disabilities are more often on a fixed income and they may, and are surviving more from day-to-day and cannot afford bus passes. So again they're going to be harder hit.

Monthly passes did not increase but I would point out when you look at the charts there in that report, they already are relatively high compared to other cities there. Unlike some of our other fares which are a little bit lower compared to some cities. But monthly passes are already quite expensive especially for people on a fixed income.

The other thing is that rather than the usual 5 cent fare which is relatively along, increase which is usually along the lines of inflation, we didn't do a fare increase and now we're double-dipping this year and it really you know, it delayed the pain I guess but then people are hit twice as hard. So it really isn't much benefit to those. People are going to get kind of cynical I think if they feel they're told they're getting a fare increase and then it's just doubled up the next year is really not giving people much of a break.

Councillor Thomas pointed out the 50/50 funding from the Province. What the City has correctly pointed out has decreased their share proportionally. So we're still

stuck and this is a point I always, and I will raise again in the operating budget, but we are at for the last 20 years, the graph of Transit operating bus hours available over the last two decades is the same. So we're raising fares but we are not expanding service.

We are expanding service into the suburbs but we're expanding the same number of Transit hours over a bigger and bigger City as we continue to approve things like Waverley West, which we just approved another massive development today. So we're spreading that Transit service thinner and thinner and I do believe that every citizen should have access to reasonable public transit whether they live in the inner city or the suburbs. Everyone should have that right but we have to invest in it then and we have to provide the transit hours so we don't have excessive long wait times for buses.

Another point I've raised before and I'll raise it again here because I'm very concerned about it, is I think that asking Transit riders, yes, the fuel prices have gone up, yes, there is more riders on Handi-Transit and other costs, but to ask, to say that part of the raise is going to be from the fare box, to ask Transit riders to put money into a reserve for rapid transit, I'm really concerned about that. Because we're asking Transit riders to pay cash now for a rapid transit system in the future that this Council has actually put far down its list of priorities and they're having to pay today as a user fee, just for Transit users. It says clearly in the report that the fare hikes, that some of the fare increase money will pay for increased Transit infrastructures expenses, so its there in the report.

It's a reasonable plan and I support a reserve for rapid transit, to plan ahead for projects so you can apply for matching funding but we should be paying for Transit infrastructure the same way we pay for road infrastructure and that's where I'm very concerned. The costs of, these costs should be put into our overall capital budget and not be done by a special user fee for those who use Transit. That's what this is.

We don't charge, there is an obvious double standard that this Council has that stems from seeing investment in rapid transit as a lower priority as compared to investing in ways to move cars around faster. We don't charge cash tolls to drivers who will be using future road expansions and extensions. Yet Transit riders alone are being asked to pay through user fees for a project that may not happen unfortunately for many years to come. Why are projects like the Kenaston underpass not held to the same funding requirements and standards as rapid transit projects? I don't know. But I do know that the Kenaston underpass has already been built and every taxpayer paid for that project through their contribution to general funds.

Investment in roads, and this will be pointed out, also has a benefit to public transit as buses also use the roads. But higher rates of Transit ridership and investment in Transit also benefit the automobile user by reducing traffic volumes, congestion and wear and tear on the roads. Cities need rapid transit. It's part of what creates a more sustainable City, a revitalized downtown and urban infill development. A vibrant public transit system reduces the reliance on the automobile which reduces greenhouse gas emissions.

Yet in spite of these benefits, public support for rapid transit may be eroded if increased fares are being used as a way to fund rapid transit. I don't know if that's intentional. I certainly hope not. But the result is the same as with the classic approach of divide and conquer. If Transit riders are told they'll have to pay higher fares right now if they want rapid transit in the future, before long, public support for rapid transit will diminish. This scenario makes it a lot more difficult to speak up against a Transit fare hike especially in you're a big supporter of rapid transit.

This strategy of pitting two good causes against another reminds me of a time that rapid transit was pitted against recreation facilities in 2004. A fairer approach would be to recognize that there are many important priorities and we need to find ways to address them all in a balanced

way. It's not an either/or situation. Public transit is an essential public service that will always require some public subsidy. In every city that has a system it does. Rapid transit should be funded as a reasonable part of an overall transportation plan just like happens in all the other major cities in Canada.

And the other thing that really gets me is...

Mr. Speaker: Councillor Pagtakhan moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Gerbasi: Those people who choose public transit should be rewarded for making a choice that's good for the environment. They should be rewarded for having a reduced ecological footprint as Councillor Swandel was talking about earlier. Instead this fare increase which takes some of their increased costs puts an extra burden on them to pay for something that all ratepayers should contribute to equally.

The City is spending a fortune synchronizing traffic lights, building overpasses and widening roadways so cars can move around a few minutes faster. This rewards and encourages increased automobile use. Yet those who are choosing a better ecological choice are being punished by these rate increases.

So for these reasons, I don't support increases that are above the rate of inflation. These are excessive increases. They hurt people with disabilities and on a fixed income. There's a few good things in there. It's good that Transit passes aren't going up but not everyone can use a Transit pass.

And this funding scenario that is set out in here is going down a bad and dangerous path to put the costs of infrastructure that every citizen benefits from, directly or indirectly, and pretty directly, putting that on Transit users is just unconscionable and I think we need to find a better way to fund and move ahead with rapid transit.

And we need to support and invest in operating funding for Transit so we have frequency of buses if we are going to keep expanding service as we have today in this almost unnoticed vote on Waverley West, fourteen more thousand people and we don't even have discussion on it. I voted in opposition by the way. Thank you Mr. Speaker.

Mr. Speaker: Councillor Pagtakhan.

Councillor Pagtakhan: Thank you Mr. Speaker. I want to thank Councillors Thomas and Gerbasi for their comments on this particular issue. I agree with them on this. I want to also thank Councillor Swandel and Councillor Vandal for the Motion they've tabled here today. I will be supporting this amendment.

But Mr. Speaker I just want to say that in the City of Winnipeg there are over 80,000 people living in poverty. And within that number several thousand Winnipeggers rely on Winnipeg Transit as their main mode of transportation. Through some of my own research, through research with Stats Canada and with some help from The Social Planning Council I've been able to assemble some information just to share with you where some of these folks live.

I've also had an opportunity to speak with our, with David Wardrop, the Director of Transit, and I asked him what does 25 cent increase translate to in terms of revenue? Approximately $1.75 million dollars. And that equals about 9 million rides. That's a whole lot of rides and that's thousands and thousands upon Winnipeggers who are using Winnipeg Transit as their main mode of transportation. This is what this rate increase is going to impact. It's going to impact those people.

Mr. Speaker within the Logan/CPR neighbourhood, over 40% of the people that live there rely on Winnipeg Transit as their main mode of transportation. And the average income within that neighbourhood Mr. Speaker is less than $20,000 dollars. Within West Broadway, Spence, Centennial, William Whyte and the Dufferin neighbourhoods Mr. Speaker,

all of those average incomes are less than $20,000 dollars and all of those neighbourhoods, are about 30% of the population in those neighbourhoods Mr. Speaker, rely on Winnipeg Transit as their main mode of transportation. A lot of these folks don't have the money, the discretionary income to buy a monthly bus pass. They require, all they can afford is the cash fare at the box, at the fare box.

So what does this mean Mr. Speaker? There are more people now from 1996 to 2001 and when the stats come in in March 2008 for the '06 census Mr. Speaker, I'm sure it will verify the fact that there is an increase in the amount of poor neighbourhoods, the people that live in poor neighbourhoods are utilizing Winnipeg Transit more as their main mode of transportation. We are taxing those people Mr. Speaker. We are putting an overwhelming burden upon those citizens of our City at the fare box.

It's been pointed out and I appreciate Councillor Thomas' catch on that, that it is 50% of a system generated revenue that's coming from the fare box and about 30%, less than 30% from our tax-supported budget. That number Mr. Speaker should be higher. It should be higher than 30%. Why are we putting, why are we taxing the people who can't afford it the most, the most through the fare box?

We should also be having discussion Mr. Speaker about perhaps a Winnipeg Transit Authority. I compliment our Transit department for doing the best that they can with the current tools that they have in place. They can only get their revenue from tax-supported budget, they can get it from advertising, they can get it from the fare box Mr. Speaker. We should be having a discussion about a Winnipeg Transit Authority or a Winnipeg Transportation Authority to empower our department to seek other avenues of revenue. Whether they can lobby other levels of government or whether they can find other sources of revenue that make sense for raising a sustainable amount of operating funds for our Transit system which I do agree is one of the vanguards of public service within a municipal government.

So Mr. Speaker, I fundamentally don't agree with placing an overtaxing burden on the people that can't afford it the most. A lot of the people that I represent, a lot of people in the Inner City and the North End, so I won't be supporting this particular tax increase. And thanks for your time.

Mr. Speaker: Councillor Smith.

Councillor Smith: Yes Mr. Speaker. I do not support this wholesale increase in the cash box fare. You know many people who use Transit do not have a choice. They cannot afford a car. So it's very unfair to have an increase without really justifying it.

For example the clause says there's an increase in diesel fuel. There's increased salaries, wages and benefits. There's increased transit infrastructure. Expenses are anticipated. Handi-Transit service demand is increasing. You know that's all true. But there is no cost affixed to each one of those. There is no budget saying this is what our expenses are. This is what our sources of revenue are. And this is what we're short. Therefore we have to have an increase. There is nothing like that. It's just saying these are increased costs, go with it, 25 cents per fare.

And then we have a comparison with other cities with the cash fare. And that's not very reliable either. Because our service with Transit is pretty pathetic compared to other cities. So you know, it's like, it's comparing apples and oranges. You know, no way does it really register that we are getting a good deal with having the lowest cash fare.

And the thing I'd like to tell the Mayor, Transit benefits everybody. It benefits the business community. You know, I can go by bus out to Transcona, for example. You know the easier it is for me to go out there the more often I'll go out there and shop if there is a bargain. And as I've told Councillor Wyatt it's easier for me to go to Europe than it is to go to Transcona.

Now, you know, I know you people with cars and you're bound to them, these are your machines and you're proud of them

and you don't go on the bus. But there are many people, new immigrants in my ward, people on fixed income. The bus pass per month is $71 is - it's too high. They cannot afford that. So they go by the cash box cash fare. This is unfair and we should not, we should know what we're passing. Maybe there should be an increase but not 25 cents. That is just not justified by the clause by the information contained within. Thank you.

Mr. Speaker: Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. This is always a difficult one and obviously one we go through with a fair degree of regularity here at Council. The reason it's difficult is I don't think anybody on this Council is not interested in providing the best service we can possibly provide. I don't think anybody on this Council would deny that it's in all of our interest to have as many people riding the bus as possible for a myriad of reasons. Not the least of which as Councillor Gerbasi pointed out, is the reduction of greenhouse gases, convenience for people, people of lesser means. All those sorts of things are very, very laudable pursuits.

The challenge here is that our administration has come to us and made a suggestion as to how they might increase the revenue in their service to maintain the current service at the level that it's currently being offered at. The problem with arguments that are contrary to accepting administrative, the administration's recommendation on the fare increase and thus the revenue increase, as well intentioned as those arguments are, the problem with that is that if you follow out that argument to its natural extension, I'm at a loss to figure out how within the context of this single Motion, this single debate how it would not result in a lesser service than we are currently providing. I'm going to talk a little bit more about that in a bit.

But the Motion we're voting on right now, if we leave the issue of fares aside, although I know that's difficult to do, what we're really talking about at the end of the day is revenue for our Transit service. The last thing I would submit that any person of lesser means in our community would want to see us do is to in any way pull back on the service that we are providing. Obviously nobody wants to pay more but let's be 100% clear about what the choices are today with respect to this Motion.

If we don't do this today, Transit service will go without this additional revenue stream that they tell us that they need to maintain the service. If we don't do it, there will be consequences. The consequences I would submit could be nothing other than a reduced service. That's the issue Mr. Speaker that concerns me.

I want to just challenge people again on the service that we are providing. This happens every time we have this debate My belief is that on a per capita basis Winnipeg actually does pretty well for a non-rapid transit jurisdiction, in terms of the per capita usage that we enjoy in this City. Our Transit services actually decently subscribed as compared to other cities particularly in mid-west North America. Obviously the eastern seaboard, western seaboard cities that have rapid transit systems enjoy a more robust ridership but they've also I guess had the $800 billion dollars or whatever to takes to invest in those types of systems. That is a difficult comparison and that I would suggest is an apples and oranges comparison.

What I look to is I look to where we stack up against other big municipalities in Canada and it would seem based on the reports before us that we're not bad. We're pretty competitive Mr. Speaker. I don't think we're an outlayer. If anything I think we're on the lower end of a lot of different categories for our Transit fare and our Transit costs. And again, I would submit it's a respectable service within this City, particularly as you get closer to the downtown core. Which is where I think a lot of people who are using the service more actively, do in fact reside. So I hope that's a benefit.

The reason this is difficult is because I know some of my colleagues are

interested in the well-being of people of lesser means in this community and I appreciate that and I agree with that. One of the groups of people that we are trying to expressly aid with respect to our Transit service, are those people that rely on Handi-Transit in the City of Winnipeg. No one around this Council table is going to deny that the cost of Handi-Transit have been probably the biggest driver of fare increases, revenue increases, within the context of the service that we provide.

For whatever reason, probably demographics, the cost to providing this Handi-Transit service is nothing short of going through the roof. And as we all are aware, our standard service is supporting that service that we're providing. And these of course are probably by definition, some of the citizens that we represent who need our help the most so let's be very, very careful about what we do here today.

And I've said this before and I'll say it again in previous debates, the place to assist people of lesser means is not at the Transit fare box. That actually runs counter to the ultimate goal of assisting people of lesser means. If we make the assumption of people of lesser means not having access to their own vehicle, which I think is a fair assumption, we then have to make the assumption I would submit Mr. Speaker, that these people require the best and most robust Transit service that we can afford.

The place to address the issue of affordability to Transit is through the social assistance program. That is exactly where it should be addressed. Not in trying to cut off our collective noses to spite our collective faces in detracting from the service that we're providing. That, I would submit, is counterproductive Mr. Speaker, entirely to the direction that we want to go. And I know that people's hearts are in the right place on this issue, but I think it's wrong-headed in this particular instance.

If it is a priority for this Council to flow more money from general revenue into the Transit service, obviously that has to be done at the budget level. If that's where we're going to find the money, if that's where we're going to find the cash to augment this service, that's where it has to be done and we'll be having that debate before very, very long I would suggest. I don't know if that's a direction that people on this Council want to go or not but rather than trying to deal with the issue of poverty at the fare box I would suggest that is the place we should try and deal with the issue of poverty. Thank you Mr. Speaker.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you Mr. Speaker. I thought there was someone before me. I was around through, and actually when I was on executive committee we had some Transit fare increases. I consider those the lean years of Transit where the Provincial government transfer over to the City of Winnipeg, the Transit grant, had remained the same, I think, for about 20 years. In 2006 the Provincial government finally, after years of coaxing, came to the table and increased their Transit grants very significantly.

And in fact if you look on page 7 of 19 of the report, page 7, there's trends that followed that are stated. The Province of Manitoba funding has been increasing since 2005. So what do we do at the City of Winnipeg? We get the increased grants from the Province of Manitoba in 2005 and we decrease our funding. The City of Winnipeg tax-supported funding has been gradually decreasing since 2005. And we go one step further. In 2008 we propose 25 cent increases which in my memory of City Council has never been proposed.

Councillor Gerbasi, Councillor Thomas, Councillor Pagtakhan, Councillor Smith have articulated better than I can the effects that has on our poor citizens. It's strictly a question of cash flow. If you can't cash flow a $50 bus pass at the beginning of the month and most people on low incomes can't. But they can find $2 and hopefully they'll find $2 and a quarter every now and then to get on the bus. Maybe they'll get a ride wherever they want to go the following day but it's strictly scratch and claw from day-to-day often.

We are, we are in fact getting more money from the Province. As soon as we've got that money we're reducing our grants and we're charging more to the poor citizens of our City. And that simply is not fair. I'm not going to support this. I'm going to support the Motion that Councillor Swandel has proposed of course. And this is a budgetary issue. I think we don't have all the information here to make this sort of decision.

We're talking about, Councillor Steeves referenced if we want to support Transit to a greater degree through the operating budget we do it in the operating time but we are tying our hands by doing this now because quite obviously, the chairperson and the Mayor have made a decision, there has been a decision made at Committee that this is where we're going for '08. So I'm not going to be supporting it. Thank you.

Mr. Speaker: Mr. Mayor.

Mayor Katz: Thank you Mr. Speaker. Mr. Speaker it's my opinion that there is no body here on the floor of Council that wakes up in the morning and says let's increase Transit fares. Transit fares are increased for very specific reasons and I would say to you, with the exception of Councillors Nordman, Leipsic, Browaty and Fielding, the rest of us have at one time or another dealt with this issue. And every one of us with the exception of Councillor Smith has supported increases in Transit fares. And why does that happen? That happens because we're dealing with the realities of a budget.

It was said earlier and Councillor Thomas referred to the cost of our Transit. The cost of running our Transit is $119.7 million dollars. And almost 50% of it is subsidized by the taxpayer. That's monies from the Province and the City. And Mr. Speaker, there is only one taxpayer. So there is a subsidy of almost 50% and the rest is generated from the fare boxes.

Now I guess what at some point in time we should try and determine, if 50% or approximately 50% is not enough, then what should it be? But the realities are since 1992, okay, the City of Winnipeg was carrying the burden and it was only after negotiations started with Premier Doer and myself that the Province actually came to the table to restore what used to be 50/50 funding which ceased almost 13 years ago. And I think we have to thank the Province for that.

But when I see a scenario of increasing fares, you have to look at the big picture Mr. Speaker. One, is the price of gas going up or down? Two, is there an unbelievable heavy demand on Handi-Transit? Three, are there new agreements with the unions? All this costs money Mr. Speaker. It's got to come from somewhere.

And I'd like to remind everybody on the floor of Council that we have made a commitment to spend $142 million dollars improving our Transit service Mr. Speaker. Transit usage has increased in the last two years. And although I understand Councillor Gerbasi's comments about improving road conditions, you know and that may have a positive impact on people who drive vehicles, it also gets people on buses quicker from point A to point B. And the quicker people do that the more they will want to use Transit.

Just recently, I believe last Friday, there was an announcement made where on some of our regional streets such as St. Anne's, St. Mary's and Pembina Highway we'll be saving anywhere from five to six minutes on their trips. This is what motivates people to use Transit. This is a good thing. I believe everybody would agree with that. And we are making inroads and these are recommendations that came out of the Rapid Transit Task Force and $142 million and it is over I believe six years, because nothing happens overnight, is a good thing and we're moving down the road to a better Transit system.

But I don't think anybody including myself, could say it more eloquently than Councillor Steeves. At some point in time we better decide what this issue is really all about. And if it's a matter, and I concur with everybody on the floor of Council when they make the comment that a cash

fare increase hurts those who can't afford it the most, the needy. Okay. That doesn't make anybody feel good but what is the issue all about? If that problem has to be rectified through social services then that's what we should be discussing and that's how we should be lobbying to get those needy people what they need. It's not through the Transit fares Mr. Speaker and I will be supporting this Motion.

Mr. Speaker: Thank you. No further speakers? Councillor Swandel do you want to close on your Motion?

Councillor Swandel: And speak to the clause.

Mr. Speaker: And speak to the clause both. Thank you.

Councillor Swandel: On the Motion to amend, I get the sense it will probably be unanimous support so I won't spend much time speaking further on the Motion.

On the clause, I'm going to try to say it more eloquently than Councillor Steeves. I walked in here and sat in my office this morning and came here with Hansard from 2002 and 2003 and I had gone through and highlighted different sections in it that I was going to read out and make it sound like it was my speech and then refer to the people that I was quoting. But it really, you know, as I said earlier we all wrestle with this. And you know we all know that I am referring to Councillors that sat on former EPCs. And you know it's easy to throw those stones.

At the end of the day we've got to understand what it is that we're doing here. And I recently read a bit, it was a drama by Jean-Paul Sartre where when accused by a young idealist in the Communist Party of betraying the party's ideals, the compromises he has made with reactionary political forces, a veteran political leader responds with the following accusation - "How you cling to your purity you man. How afraid you are to soil your hands. All right stay pure. Purity is an idea for yogis and monks to do nothing, to remain motionless, arms at your side, wearing kid gloves. Well I and many of us here have dirty hands right up to the elbows. We've plunged them in filth and blood. But what do you hope? Do you think you can govern innocently? You can't."

These are difficult choices to make. Whether I try to rationalize it and say we're talking to the Province or if I don't increase fares and we're going to have to reduce service, at the end of the day we have to make these choices.

So today I stand before you, I'll support because I'm known to get my hands dirty and bloody. I know it's not an easy decision to make. I agree wholeheartedly with what Councillor Steeves has said that there is a social welfare issue at play but it's not at play at this table. And we need to focus on what we have to get done. And we need to focus on improving our service and delivering the best service for all citizens whether you are wealthy or poor. So let's get it done.

Mr. Speaker: Councillor Clement on the amendment and the clause.

Councillor Clement: Yes, thank you. Thank you Mr. Speaker. I certainly don't have any problem with the amendment and I don't have any problem supporting it whatsoever. I'd like to just touch on a couple of points.

Councillor Thomas raised what's on page 4033, and if you read part of it, it sounds like what she said was accurate but it's not really. The 53% that it's talking about isn't from the fare box. It's from the fare box and other revenues which includes advertising on all the buses, charters, all those kinds of things. Which is why I got back to what our policy was all the way through prior to 1992 when the Provincial government froze the funding, which is the next thing I'll talk about.

It's true. I mean that's exactly what's happened. The Mayor and others negotiated with the Premier on a number of fronts and we, we have revenue problems and we were looking for help. And one of the obvious ones was in Transit where in 1992 a former government froze the amount of money that they were giving us in grants. And the

Mayor was able to convince the Premier that that wasn't fair minded and that they should put it back to the original amount and they did, so that we could give our self relief in the current budget. It wasn't negotiated so that we could put more money in to the budget, to make changes to what we were delivering.

So while all these points are interesting and you can play with the numbers whichever way you want, the bottom line is, is that I think it was put pretty well by both Councillor Steeves and Swandel that we have a Transit operation to run. It costs money and approximately, in fact our policy has been for years that approximately 25% of the cost of operating the Transit would come from the fare box and that's essentially what this is as I understand it.

So I will move it, move, well Councillor Swandel has already moved the Motion, and I'll move the Clause as amended by the Motion.

Mr. Speaker: Okay Councillors, Councillors on Motion No. 1 by Councillor Swandel.

All in favour? Contrary? Carried.

Councillor Gerbasi: A recorded vote please.

Mr. Speaker: A recorded vote on the Clause as amended.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt, Mr. Speaker Councillor Lazarenko.

Nays

Councillors Gerbasi, Pagtakhan, Smith, Thomas and Vandal.

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

Mr. Speaker: It's Carried.

Councillor Clement.

Councillor Clement. Yes, Mr. Speaker on Clause 2 I would like to defer to Mayor Katz and please put me on the list to speak.

Mr. Speaker: Okay and you want 1, 3 and 4 as Consent Agendas? We've done that. Oh yes, right. I'm sorry. Okay, Councillor you have said that now. Mr. Mayor.

Item 2 - 2008 Water and Sewer Utility Rates File WW-2.3

Mr. Speaker: Mr. Mayor.

Motion No. 2
Moved by His Worship Mayor Katz
Seconded by Councillor Clement

WHEREAS Mayor Katz committed in his election platform of 2004 to end the longstanding practice of transferring funds to general revenue from the water and sewer utilities, and committed to bring these utilities to a position where their rates could be subject to a standard Public Utility Board review if desired;

AND WHEREAS a more transparent policy on such transfers is consistent with other financial initiatives taken since 2004 that have added, not reduced, pressure on the operating budget, including (but not limited to) review of Special Operating Agency dividend policies, review of inaccurate photo radar projections made earlier in the decade, and an end to over-optimistic budgeting of police overtime;

AND WHEREAS the Provincial government stands by its order to complete the CEC's recommendations approximately five times faster, and with minimal outside financing than the CEC recommended, which will continue to put pressure on Water and Sewer Utility rates for the foreseeable future;

THEREFORE BE IT RESOLVED THAT an additional recommendation be added to Item 1 of the Report of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 13, 2007 which states:

"That Council commit to end net general revenue transfers from the Water and Sewer Utilities no later than the date of adoption of the 2009 Operating Budget, and do so in a manner that improves the transparency of revenues and expenditures within these utilities."

Mayor Katz: Mr. Speaker thank you and Councillor Clement. First of all I would like to refer to the Motion you have, Motion No. 2 and I'll just read the last paragraph Mr. Speaker. "That Council commit to end net general revenue transfers from the Water and Sewer Utilities no later than the date of adoption of the 2009 Operating Budget, and do so in a manner that improves the transparency of revenues and expenditures within these utilities".

Mr. Speaker what we have before us is the same problem that we had in 2003. We have to approve a rate increase. Why? Because there were recommendations made by the Clean Environment Commission. Because it's part of our licencing agreement with the Province we have to comply with. We also have $3 million dollars of this issue that is directly related to watermain renewal to cover inflation.

And the first rate hike to comply with the CEC work Mr. Speaker, goes back as far as 2003. This is not new. The Province mandated that we do the work in one-fifth of the time that the Clean Environment Commission had recommended. And also at that point in time, the Clean Environment Commission had recommended it be shared by all three levels of government and there were no commitments coming forward at that stage of the game.

Now Mr. Speaker, just to let everybody know, this is the law, okay. There are legal penalties if the City does not comply. The first fine is half a million dollars. The second fine is a million dollars and then the directors can go to jail. We all know no one is going to jail so I don't think we have to discuss that, okay.

I said a week ago that we were working constructively with both levels of government, and I believe that both the Federal government and the Provincial government were committed to helping us fund this. And as we all know, the Provincial government announced yesterday, they are coming forward with $206 million dollars. And we hope in the very near future, we hear something from the Federal government. But Mr. Speaker even if a perfect world takes place and we were to get $406 million dollars, the City still needs to come up with a significant amount of money.

Mr. Speaker if I could ask, there is this graph, if everybody could please be given a copy if they haven't received one as yet, I would appreciate it very much. And if you have an opportunity to look at this graph, you will see that with funding from both levels of government, what this would really accomplish was that we would not have to have future increases in our rates. I say future increases in our rates starting approximately 2011.

The objective Mr. Speaker, with this motion and with the increase in water rates is to basically treat utilities like real utilities. In the past Mr. Speaker in my opinion, we've had some bad policy and I think it's time we clean it up. That's what this Motion hopes to do and as well, obviously I am in support of the increased water rates specifically because we need to act now. We need to do the work.

And as I've said on many occasions before Mr. Speaker, as a result of the Clean Environment Commission's recommendations, it's going to cost somewhere between $1.2 and $1.8 billion dollars Mr. Speaker. $1.2 to $1.8 billion dollars. And I believe each and every one of us wants to make sure that our water supply is always safe. I think Lake Winnipeg is a priority, and we know that our infrastructure is in need of major repair.

So it's not like once again we want to raise rates, but if you're acting fiscally responsible Mr. Speaker, this is something that we have to do to comply and make sure we do the right job and also change bad policy and make it good. Thank you Mr. Speaker.

Mr. Speaker: Councillor Vandal you have Motion No. 3. That's to refer with instructions. Would you want to introduce it and then we'll get into the...

Councillor Vandal: Thank you Mr. Speaker.

Mr. Speaker: to the speakers.

Motion No. 3
Moved by Councillor Vandal
Seconded by Councillor Thomas

WHEREAS the Provincial government have announced 206 million dollars of support for Winnipeg Wastewater Improvements as mandated by the Clean Environment Commission in 2003;

AND WHEREAS this financial support will significantly ease the financing burden of the entire wastewater improvements;

THEREFORE BE IT RESOLVED THAT the 2008 Water and Sewer rates be referred back to the Standing Policy Committee of Infrastructure and Public Works for alternative financing options to the benefit of the taxpayer.

Councillor Vandal: I will only be speaking to the actual referral Motion. I hope to, I hope it gets referred and I won't have to speak to the bigger clause but, we'll see about that.

This is an issue that is quite complex. I have never been one to say that we don't need any more rate increases. But we certainly don't need 25% rate increases within two years. That was my position before yesterday. Yesterday was a very good day for the City of Winnipeg thanks to the Provincial government who have committed $206 million dollars for Winnipeg waste water improvements as mandated by the Clean Environment Commission in 2003.

So what this Motion is suggesting is rather than move forward today with another 12% increase for 2008, let's send the whole question back to the Standing Policy Committee on Infrastructure and Public Works. Let the Standing Policy Committee work with the administration, Mr. MacBride, and come up with alternatives to fund all of the work necessary, all the way to 2030, by the way, not 2017 as this graph shows. There's 13 years missing on this graph. And come up with something that's reasonable for taxpayers and for ratepayers and for our citizens.

Twenty-five percent in two years is gouging, plain and simple. It doesn't have to happen. There are alternatives but let's let the Committee and the administration work their way through this complex issue and come up with something that's fair. That's all my Motion is asking for.

Mr. Speaker: Councillor your Motion is referral with instructions so we'll debate it along with the clause. The next speaker Councillor Clement.

Councillor Thomas: Point of order. Referral with instructions (inaudible)…

Councillor O'Shaughnessy: Where are the instructions?

Mr. Speaker: Mr. Clerk. Mr. Clerk.

City Clerk: The Motion itself has instructions embedded in it to look for other alternatives. It's not a straight referral back.

Councillor O'Shaughnessy: Ask for other alternatives is instructions? I'll use that in the future, thank you.

Mr. Speaker: Well Councillors…

Councillor O'Shaughnessy: It's not instructions.

Mr. Speaker: The instructions are that it's a Motion for referral with instructions. But now if Council, look it's what your wish is. Do you want to deal with the Motion No. 3 submitted by Councillor Vandal? Do you want to deal with it? You can sit down,

Councillor. If you want to deal with it, those who are in favour of dealing with the Motion, submitted to refer. Those who are in favour, please indicate so. Deal with it? Okay, go ahead. You want to vote on this now Councillor Vandal?

Councillors you've seen the Motion No. 3, Councillor Vandal introduced it and has spoken to it. Anyone call for a recorded vote? Recorded vote has been called for.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Browaty, Gerbasi, Pagtakhan, Smith, Thomas and Vandal.

Nays

His Worship Mayor Katz, Councillors Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Mr. Speaker Councillor Lazarenko.

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

Mr. Speaker: The Motion is Lost.

On the clause, Councillor Clement.

Councillor Clement: Thank you Mr. Speaker. A few days ago, eight to be exact, when the water and sewer rate clause came to my Committee, I voted against that, which is not news to anybody. And as a result of that there was a lot of discussion after the meeting. And the first thing I would like to do frankly is thank the media for what took place after that meeting.

And the reason I say that to you is because for the last four or five years I've been arguing about the lack of funding for the Clean Environment Commission initiatives and it's been reported in this newspaper, on that radio station, in another newspaper, another radio station, a TV program, but it was sporadic from time to time. And what happened last week was frankly, everybody climbed all over it at the same time and I think that was pretty significant.

Because while I know that the Mayor was negotiating with other levels of government, I don't believe for one second that a week ago Tuesday, that there was $206 million dollars coming in that Throne Speech. There might have been something coming in it but I don't believe $206 million was coming. And when was the last time anybody saw $206 million dollars provided by a level of government without the bigger government standing beside them? It just, it doesn't happen. So where were the Feds? Anyway I'll leave you to ponder that one.

Anyway, that aside, the problem that I had with the clause last week wasn't actually with the sewer rates frankly, because the 66 cents that's in the sewer rates is required for maintenance. Next year that's going to be a different story. But not one of those 66 cents was anything to do with the Clean Environment Commission initiatives this year. So that wasn't my problem.

My problem was in the water rate and the way that it was structured. In fact I was asked that question about there and that is what I answered. So, there were a number of problems as well as that. I've been hearing about it for a long time, about the amount of money that's being transferred from general, well from the water and sewer rates to general revenues, approximately $31 million dollars, actually it's $31.1. Is it $2.2? Sorry.

Anyway, the, even that's misunderstood a little bit because it sounds like all $31 million is coming directly to general revenues and it's not really. Some of it is actually being used for fire hydrants or for the rental of the fire hydrant and part of it is being used for land drainage and about $13 to $14 million of it is actually coming to general revenues. But notwithstanding that, a lot of people felt that that was a problem.

And the third problem, notwithstanding the 66 cents for this year, was the non-commitment of funding for the Clean Environment Commission issues. And you get passionate about these things and they go on from there.

Which leads me to the rate structure for today because if everything would have stayed the same, I was going to have a lot of difficulty here today, standing here supporting it. But with this last, with this Motion that Mayor Katz has made today and I've seconded, I haven't got a problem. And the reason why is because if you read it closely, it tells you that the general revenue transfers from Water and Sewer Utilities will be dealt with and taken out of the utility rates by the 2009 budget which is next year.

I can tell you that there has been a lot of work done on this in the last several days. I met with the Mayor for a short time on Thursday and he challenged me a little bit, and his bottom line was if you think it's wrong, what's your alternative? And I stayed up rather late that night and I met with him the next day and threw a pile of numbers at him and we had a number of administrative people work on the weekend on these numbers.

And the idea would be that you would take that $31 million dollars off of the sewer and water rates and if you took the $27 million from the frontage levies and you moved that money over, then what you would be doing is you would be doing the sewer renewals and the water renewals out of the rates which is where they belong, and you'd be taking the other piece out of the rates which is going to general revenues which is not where it belongs. You then would collect the frontage levy for roads, lighting, curbs, sidewalks, bridges, that type of thing, and you would transfer it to the capital budget, which is where you would claw back your money that was going into general revenue.

All it is is moving the round pegs into the round holes and the square pegs into the square holes. But what it does and the cause and effect of it is that at some point next year when we'd be looking at this, it would appear from the numbers that the water rate would drop slightly. As a matter of fact had we been able to implement it and there were a couple of pieces that were just, we just didn't have enough time. As hard as our administrative people tried and as hard as we tried to come up with a way to bring a partial solution, it just wasn't going to be sound policy. When we bring it back it will be.

And so the, I guess the bottom line is is that for the rates to flow through this year I've stated in fact other day that it wasn't that we didn't need the money. I just didn't like the fact that inside that 30 cent water rate was 12 cents for watermain renewal, and I felt that it didn't belong there, at least not the way we were structured.

What we're doing now is we're looking at putting the whole thing over there and taking the other piece out and it will work. Had we been able to do it right now, I can tell you that the rate from $3.15 to $3.45 would have dropped by 22-1/2 cents to around $3.22-1/2 or $3.23-1/2, something like that. We just couldn't manage it. We didn't quite have enough time.

So it's unfortunate that we weren't able to come up with it. You know, you get into these measures and until you start thinking outside the box sometimes, you don't necessarily see the forest for the trees. But sometimes when you start looking and looking hard, you start seeing the answers and in the end it's starting to be pretty clear.

But the problem is is that there's a number of other issues that are associated with these numbers that we have to tie up and although they are, in my view they're small issues, the, we weren't able to get them done in time for today, and certainly in time for tomorrow's capital budget.

Mr. Speaker: Councillor Nordman moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Clement: The other thing that I'd like to point out to people is that a sheet like this would be great and I

certainly hope that the Federal government is going to match this $206 million dollars in the short term. I'm hopeful that they will. If they do, then it certainly straightens out the line by 2011 which isn't too far out. But I have to share with you that that's not the whole problem. That's the capital side. That's the part that we're going to use to build the sewage treatment initiatives.

The problem is that once it's up and operating, it's going to cost us $40 million dollars a year to operate and in the current rates there's only $2 million of that and that whole $40 million will be triggered by 2014 and that's not very far away. That's only five years away. And we'll be bearing that 100% unless some white knight comes along and I'm not sure that's what's going to happen. So there is a whole bunch of different doors to these issues and that one is wide open unfortunately and that's what the cost is going to be.

So when I see this and I know that that's in here now, I mean that $40 million is actually in all these numbers, it has to be, because it's in the other numbers, so that's huge. So, when I look at what the bottom says and that everything will be transparent, then what it means is and what I know the about, what I could already know about 80% of what goes into the document in the short term, and I believe that this is the way to go. I believe it changes the way that we're doing business fundamentally with these accounts. And I, based on that Mr. Speaker, I'm going to be prepared to support the clause today and look forward to working on this resolution over the next 12 months.

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

Councillor Steeves: Thank you Mr. Speaker. I'm going to read you a part of a speech that I've been delivering in the community over the course of the past three years at different functions. You may feel free to consider yourselves lucky.

I begin the speech by saying how much it's going to cost the City of Winnipeg and I go through a little bit of the detail, the $1.3 billion dollars and I continue. This is a lot of money however probably a price worth paying if it meant a clean or even a much cleaner Lake Winnipeg. The question we have been asked at the City of Winnipeg is will this expenditure achieve our goal of a clean Lake Winnipeg? To answer this question you must consider two key facts.

Firstly, the City of Winnipeg is not a big contributor of the total nitrogen or phosphorous load entering Lake Winnipeg. Secondly the culprit when it comes to algal blooms in Lake Winnipeg might only be phosphorous not nitrogen.

Considering the second issue, what is the true problem, nitrogen or phosphorous, the Great Lakes suffered a similar pending ecological disaster decades ago, which was fought by government and industry. Not on the basis of removal of both nitrogen and phosphorous but on the removal of phosphorous alone.

Regulatory bodies decided after much research including putting a curtain across an actual lake and adding phosphorous only to one side of the curtain. If phosphorous could be reduced algal booms shrank. It was determined that it eliminated nitrogen from the nutrient load entering a lake was redundant. If phosphorous existed it would use the nitrogen that flowed with it to create algal blooms. If nitrogen didn't exist in the nutrient load entering the lake algae would take nitrogen from the air to create the blooms.

The result of the research from the Great Lakes prospective was eliminate phosphorous which would eliminate algae in the lakes. This was a strategy used to clean the Great Lakes which was extremely attractive to government and industry alike because eliminating phosphorous only not nitrogen from a treatment prospective is much cheaper and easier.

If the City of Winnipeg only had to eliminate or reduce phosphorous from its treated sewage that would be much cheaper for the Winnipeg taxpayer than

trying to eliminate both nitrogen and phosphorous.

At the Clean Environment Commission hearings the Department of Fisheries and Oceans argued that control of phosphorous was the key. There might be some discussion around the need to reduce ammonia, a form of nitrogen, but arguably ammonia in the context of the Red River is not a critical problem and could be addressed over a longer period of time.

And of greater concern from Winnipeg's prospective is the cost of capital upgrades to our sewage system verses the ultimate benefit to the lake. Winnipeg's contribution to Lake Winnipeg is 6.7% of the total phosphorous and 5.7% of the total nitrogen entering the lake. The huge expenditures being asked of Winnipeg taxpayers will lower Winnipeg's contribution of these two nutrients down to about one-third of Winnipeg's current contribution. The total nutrient load entering Lake Winnipeg will scarcely be affected by this massive expenditure and certainly the problem of algal blooms in the lake will not be controlled.

The question of whether this is the right place to spend this amount of money is crucial considering that within the $1.3 million dollar expenditure Winnipeg is being asked to spend about half that on reducing combined sewer overflows (CSOs). About half of Winnipeg, the newer half, has what we call a separated sewer system. This means that sewage from homes and business stays in a separate sewer system all the way to the treatment plant. Water runoff from rain that drains into the other sewer on the street often flows directly into the river because it doesn't need treatment.

The older half of Winnipeg, the downtown or closer to the centre part does not have this. The older part has what we call a combined sewer system. Sewage and rain water from the street flow into the same sewer system. This is a holdover from a long time ago. We would simply allow sewage to flow directly into the river without any treatment. Incredibly there are still cities in Canada that do not treat their sewage before floating it to open water. Now we take all of this combined flow and send it to the treatment plant.

There is just one problem. CSOs occur when water runoff from our streets combines with sewage in our combined sewer system during storm runoff events and spring runoff. This diluted raw sewage flows directly into the Red River without first going through our treatment system. This happens about 18 times a year or less. This is big on the disgust factor for citizens but before spending almost $700 million dollars on correcting this problem everyone should know that combined sewer overflows constitute about 3% of Winnipeg's total output of nitrogen and phosphorous into the Red.

This $700 million dollar expenditure will reduce CSOs from an average of 18 per year to 4. We are going to be spending about $700 million dollars a year to eliminate approximately 2% of the total nitrogen and phosphorous Winnipeg is sending down the Red River. And remember Winnipeg is only a 7% contributor of these nutrients in the first place. In summary, this $700 million dollar expenditure would likely yield no measurable decrease in the load of nitrogen and phosphorous entering Lake Winnipeg. The total volume is too small.

We need to refocus this debate onto where the real problem exists so we can spend the money most effectively. Most of the nitrogen and phosphorous that's finding its way into the lake via runoff from agricultural based land into the Red River, most of this runoff, almost a third of the total nitrogen and half the total phosphorous occurs in the United States, not because the Americans are doing anything different then us but because they occupy much of the Red River watershed and the runoff flows to Lake Winnipeg.

As part of the Provincial government's directive under the Clean Environment Commission Report, the Province is to prepare a strategy to deal with the nitrogen and phosphorous flowing into the Red River in Manitoba outside of Winnipeg. This should include a

discussion with our American friends about our issues.

Winnipeg has been raising and spending millions of dollars on its plan. Our efforts are no doubt underway. I do not believe there is currently any firm plan to address the problem outside of Winnipeg. We should reconsider whether Winnipeg's expenditure is money well spent or should it be Winnipeg be making a contribution to a master strategy that is less Winnipeg centric but ultimately more effective at eliminating phosphorous from entering the Red River and ultimately Lake Winnipeg.

Therefore in summary I have two suggestions to move this discussion forward. First the easy one, let's recognize the research and decide the real enemy here is phosphorous not nitrogen. This will take a lot of pressure off a lot of people very quickly, the price will go down and new options will appear.

Second, the hard one, let's think of the Lake Winnipeg issue as a Manitoba issue and not just a Winnipeg issue. Further let's think of Winnipeggers not only as Winnipeggers but as Manitobans first. Once we as Manitobans decide on what to spend almost a billion dollars or a billion and a half dollars on reducing phosphorous flowing into Lake Winnipeg we have a few more decisions to make.

To start we need to examine and decide how we want to raise this amount of money. There really are only two options here. We can raise the money by taxing all Manitobans through the Provincial tax system or we can raise the money by taxing two-thirds of Manitobans those in Winnipeg through the City of Winnipeg system.

I think taxing people through the Provincial system makes more sense for a couple of reasons. First, I think it's more fair. This problem is a Manitoba problem not a Winnipeg problem so I believe all Manitobans should share the burden equally. If Lake Winnipeg was actually in Winnipeg or even if Winnipeg was the main problem in terms of polluting it would be different, but we know the lake is not in Winnipeg and we know Winnipeg is not a significant polluter.

Second and most importantly, while the City can raise the money, Winnipeg has really very little flexibility on how it spends this money. If the City raises this money on the backs of its municipal taxpayers the City will certainly spend all of this money inside the perimeter. As Manitobans does it really make sense to limit ourselves this way?

If the Province raised this money through Provincial taxation this money could be spent anywhere in Manitoba, presumably and hopefully where it does the most good. Obviously this would not preclude the Province from spending the money in exactly the same way we are in the City right now. If that is what they believe would be the most effective. The difficulty I am having is that I do not believe anyone would make that choice not after examining all the research that exists. I do not say any of this lightly. This would be tough for the Province to do.

As a politician I acknowledge that a billion dollar hole or a billion and a half dollar hole in any budget regardless of the years it is spread over is hard, very hard. It has not been easy for us to do this. It would not be easy for them. It would mean tax increases in a way that we have increased water rates or it would mean cutting, not doing some of the things we are currently doing as a Province and doing this instead. This is never fun but even though you've heard this a thousand times it's still true there really is only one taxpayer.

Mr. Speaker: Councillor Smith moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Steeves: I have raised the water rates to Winnipeg taxpayers but if I had the power I would share the burden among all Manitobans. Again, I think it's more fair, but I can't, I can't do that, I just do not have the power Mr. Speaker. What I would try to do is lay out what I think is a fair and reasonable argument for doing things differently then we are doing. Our

situation could be improved in Winnipeg. We acknowledge that. We are addressing it and we will continue to do so. I just do not want anyone to think this billion dollar expenditure will solve the problem or even come close to solving the problem. It will not.

Maybe we can sell the idea to the Province but if the City was looking at a source reduction and a more integrated strategy for CSOs and nitrogen and phosphorous treatment and we could perhaps extend the time limit to 20 years instead of 10, I know there has been some adjustment since I written this speech, perhaps we could get the CEC to commission an investigative paper to identify all the additional options and potential savings, any other co-benefits of other cities and things that they have been doing.

Mr. Speaker that was my studied research of this issue. The facts have all been checked by Barry MacBride. This is my assessment of the issue. The deeper problem aside from the adjustments we're trying to make on the fly is that at the end of the day, what we're trying to achieve is a cleaner water system. I'm not convinced that Lake Winnipeg is going to benefit to the extent that people really believe it's going to do.

Maybe after listening to what I've read, perhaps, perhaps not, people might agree that there is a better way of doing this. Now obviously, I'm going to be supportive of doing what we have to do. I think we're mandated by law to do so and I don't fancy myself a law breaker. But there is an alternative path that we could be taking here. I think it's plain to everyone what it could be. The fact that we're not doing it I think is wrong and the fact that this Council is being placed in this position and forced to argue this issue out amongst ourselves is wrong.

Mr. Speaker: Thank you Councillor. Councillor Browaty.

Councillor Browaty: Thank you Mr. Speaker. I have several concerns with the proposed water and sewer rate increases and the projects that are about to be undertaken.

My primary concern is the Provincially mandated Clean Environment Commission concerns that Councillor Steeves recently brought up. I don't believe and from what I've been hearing from scientists who know a lot more than me, it is not necessarily the best way to clean up Lake Winnipeg.

The cost of dealing with our current planned wastewater project is now in the neighbourhood of $1.5 billion dollars. The current water and sewer rate scale forecasts going forward assume far lower numbers. If the price in dealing with nitrogen was a smaller number I would say just do it. Err on the side of caution. But the potential cost of $400, $500 million dollars could be used in other ways to improve the Lake Winnipeg watershed in far more significant and prudent ways. It's all about value for money.

I don't care if the Premier and Prime Minister were to show up tomorrow with $400 million dollar cheques each in hand, if it's not the best thing do, as one taxpayer maybe we shouldn't be doing it and we need to look at other scenarios.

Not to mention that not doing full nutrient removal component and again it's the scientists who are questioning it, that type of money could be used on other capital projects here in the City of Winnipeg. We could build a Waverley underpass. We could build a brand new Disraeli Freeway. We could build a very substantial start to bus rapid transit or some type of rapid transit system. A first rate one. Disraeli was second.

As Councillor Steeves pointed out yesterday as the National President of FCM, Canada has an infrastructure deficit of $123 billion dollars. Are we so flush in cash that we could potentially flush hundreds of millions of dollars down the drain?

The Province while mandating the CEC work isn't going to be shutting off our taps anytime soon and I'm very doubtful that

they'll be imposing any fees to us or throwing any of us in jail. The Premier has always been a big fan of listening to the science of an issue. I think this is an opportunity to use some common sense here and listen to the science of this particular issue.

Let's discuss water rates for a moment. I had a constituent call this week and suggested that we should all just work really hard to reduce our own water consumption and our rates would go down. I wish he was right. If the entire City miraculously dropped its water consumption tomorrow by one-third our water rates would have to go up almost across the board to almost the same degree. It's the fixed assets, the pipes and the plants that bring water to our homes and businesses that today are the biggest costs.

Perhaps we should be looking at how water rates work. Maybe a scenario with a higher fixed quarterly rate, perhaps based on frontage plus capital costs of water and wastewater plants and then water and sewer consumption rates that more closely match the marginal cost of the water and sewer that's being provided.

Our water treatment plant is scheduled to come on line in 2008, or early 2009. That's our clean water plant. The operating costs of these plants in terms of labour, electricity, materials, in terms of operation, they're going to significantly increase the cost of water, the water that comes out of our taps.

The price of water and wastewater operations going forward will increase significantly. I appreciate that and rate price increase, rate increases are going to be necessary. And if we do the scenario where, and because of that, even if we do separate capital and consumption, the price of consumption is going to go up and there will still be incentives involved in decreasing people's own water usage.

We do have many capital projects that need to be addressed. Working to eliminate outflows of raw sewage from our combined sewers and expanding our South End Wastewater plant to service the growth in south Winnipeg, we need to do these things

Based on the one-third/one-third funding, the $206 million dollars announced yesterday plus the $25 million dollars promised previously from the Province, assuming the Federal government does step on board, we have funds for, and assuming we have the funds to match that, we have about $700 million dollars to work with in terms of water plants. That would probably do the majority of it if we take out the nitrogen component.

Water and sewer ratepayers don't understand their bills. We need to make them far more transparent and engage the population in the most expensive infrastructure project our City is currently undertaking, probably the biggest in the Province.

Annual increases in excess of 10%, which I believe will continue for years to come, need to be discussed and debated with full information and not rammed through Council. I will not be supporting this water and wastewater increase as it is not clean and clear like the water from our taps.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker. I was disappointed that this, we didn't take the route suggested by Councillor Vandal of referring this matter because a lot of things really aren't clear right now. And a lot of things are being tossed on our desk first thing in the morning here to try to understand. And I appreciate that Bill and other people had all weekend to go over numbers in the last week but we're supposed to vote on something that has a very big impact for the next year for our ratepayers and the next year after that, as well as in the 2009 operating budget. And I'm just still trying to determine from what's been said today what that all means because we have to vote in this chamber. We can't abstain or anything else. We have to make a decision right now. And I think this process has been very rushed which makes it difficult.

I wanted to comment briefly on the science issue. I don't claim to know if Councillor Browaty has, is correct or if the people he's been talking to or what Councillor Steeves is saying is casting doubt on the work we need to do. I do know that we have been mandated to do that work. And I think until such time as the CEC decides something else we need to accept that this is the work that needs to be done to clean up Lake Winnipeg.

And we do use Lake Winnipeg, it is our Province and I respect the fairness point that there needs to be Provincial, significant Provincial funding. For that I think that's obviously fair. And I felt good when I heard that the Province was, announced yesterday that they are going to give us $200 million towards this. Certainly a big step, that announcement yesterday, which does cast a bit of a different light on the situation. Now obviously we don't have that money in our pocket but we have that commitment for that money in a Throne Speech which I think is significant.

I'm a little concerned with the Motion here. It's basically making a change, we're making a change today, we are making a commitment to make a significant change to the 2009 operating budget. That may turn out to be the right thing to do. I'm open to that idea because I do believe we should be more transparent in our finances and I certainly support that point.

But I don't understand why we're making this decision right now, this way, and I'm a little reluctant, I am reluctant and I won't be comfortable enough to support this Motion. I don't know why we have to do it on the fly. I don't know why we couldn't have a Council seminar to go over these numbers before we vote on something like this, which is what Councillor Vandal could have provided through having his referral Motion being supported. We would have time to all go over those numbers that Bill Clement worked so hard on over the weekend and the other staff. But we don't have those numbers. So we just have to kind of trust that this is all going to work for some budget two years from now and I'm concerned about that.

I'm also concerned that our ratepayers are having, the size of the increase they're having. I know we have to increase water rates. We all know we have to do that. We have a huge bill to pay. But Councillor Vandal did have a very good point when he raised this issue earlier in the week. That a part of this increase is, indeed most of this increase is the CEC but there is also a significant percentage of it that's being transferred to offset costs of the operating budget and there could be a line drawn and that line has been drawn to a 20% reduction in the business tax cut. Now it's not direct but that line can be drawn, because we're taking off the pressure from the operating budget by a significant number of dollars, which frees up the fact that we have to give $12 million back to one sector of society which is the business taxpayers.

So there is a real line that has been drawn and I think that it would be a lot easier to have consensus on Council if these discussions were held prior to motions being winged here where we have to make a decision about a budget two years from now right now, without knowing the numbers that Councillor Clement was talking about.

So, this is a complicated issue and I wish we had referred it back so that all Councillors could have a chance to make an informed decision. Even the science issue, maybe we should get ourselves all more informed about this. There is all sorts of opinions. You can get a different scientist view on just about any issue. There are scientists out there who, the tobacco companies can convince us that smoking doesn't really cause cancer you know maybe they've given up on that but they're still talking about greenhouse gases not existing and even some members of Council have said that. So I'm just, you know not being caused by human beings.

So I'm just saying you know there is a lot of science out there and we really don't have those answers so I certainly can't vote based on that today, as much as I have a concern and I really am concerned. I agree with the idea in principle of, and I supported it when it was

raised by Councillor Vandal, that we should be more transparent but we're jacking up the rates big time and I guess that's what we need to remember. That that's what we're voting on right now in 2008 for every citizen of Winnipeg who is going to have a massive rate increase, whether you're rich or poor. It's a user fee and you pay it for the water you use.

And that is going to have to happen to some degree and that's fair to some degree. But it's not fair to have the increase the extent that it is until this issue of transparency and offsets of other operating budgets that could be going to one sector of society for a reduction you know it's just not really fair.

So I would certainly support some degree of increase. I would have been happy to support a referral but I can't support this degree of an increase in 2008 and I wish we weren't dealing with the 2009 budget on the fly at the last minute without time to really look at the numbers. Thank you Mr. Speaker.

Mr. Speaker: Councillor Thomas, followed by Councillor Wyatt.

Councillor Thomas: Thank you. I've been listening to the debate here to nitrogen or not to nitrogen, to fixed rate or not to fixed rate, and my problem is that the problem is not those things. I would call a lot of the debate that has occurred around this Motion spurious, not germane and off the point.

The point is, if we look at page 4048, yes for those of you who are listening on there, our Council documents are that big and that's why they are all on the computer now so that we can save a tree. The typical residential customer is going to see an 11.6% increase this year, in one year, which is, whether you set it at 2-1/2 or 3% depending on which part of the country you are, comes pretty darned close though four times the rate of inflation.

And when you look at page 4057 the utility transfer to general revenue is now up to 16.4% of sales or $32.5 million dollars. Whether you're talking about nitrogen and phosphorous or separated sewer systems or not, that money isn't going to the sewer system at all, anywhere, anytime, it's going into general revenue and that's the problem. And we should have sent this Motion back so we could look at it all in context.

And I would say instead of a fast and dirty motion to increase the rate and fix it up later, that this Motion does not deal with any of those issues that we've all been talking about with frustration. Why? Because it came up quickly. There was a special meeting with very little notice, not in the context of the budget. Not in the context of anything but asked us to deal with it quickly and move along. And it hasn't had, it hasn't been transparent where it's going. There hasn't been consultation with the Councillors, and there hasn't been collaboration amongst the Councillors.

We should be having a meeting downstairs with all the administration, where they can explain to us what these things are referring to. Everybody's talked about something different. But nobody's talked about what the clause is here. The money is going to general revenue. That's the problem. It should be going to the water and sewer system. That's the problem.

Now, whether the sewer system should have the increases that the Provincial government has asked us to do, that's an issue. Whether 40% of the pollutants that are coming in are coming in from the United States and they are not being regulated in any way, that's an issue, sure, but it's not the issue that we're dealing with today.

And we're dealing with a really hefty rate increase and we are continuing to do that even though the Province has said they're going to give us an additional $206 million dollars which we didn't have when the Infrastructure Renewal and Public Works Committee voted on this Motion, and by the way didn't agree to it. We didn't have that sitting in our pocket at that time. But now we do. We need to look at that in context. And we haven't. Continuing to

push it through regardless of the change in the facts.

That's why I cannot support this. I don't think the rationale has been proven. It wasn't proven a week ago when we were voting on it at Committee. It's even less proven now that we're getting more money from the Province. I don't know why it wasn't sent back but I can't support it as it stands here. Thank you.

Mr. Speaker: Next speaker is Councillor Wyatt. Does he have his chair up there now? Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. Thanks for your patience. Mr. Speaker this rate increase that we're facing today, we all know what the department has been advising us is what they've been trying to project out, which is quite difficult to do in light of the fact that we are looking at such a large number. And in light of the fact that we're also faced with at this very point in time, unique, since we really haven't faced it in many years, construction costs that have escalated and are escalating as we speak. And combining that Mr. Speaker with a challenge which has not really been seen before, at least in this Province, we're faced Mr. Speaker, my view, with many ways a political decision which was made provincially. The citizens of Winnipeg are facing this.

Where our department argued the case that the 4% or 5% contribution we make to Lake Winnipeg with regards to nitrogen and phosphorous, out of the total amount, that improvements could be made to the City system, over 50 years. And the CEC came back and said we want to do it over 25 years and then politically pushed the, the Minister pushed for 2014 on the nutrient removal.

And I agree with some of the previous speakers who spoke about potential here for so-called whacky science, the fact that there seems to be a discord in the scientific community about the benefit of targeting nitrogen over phosphorous.

And secondly, the fact that in many ways if you look at the events that occurred and the recommendations that flowed out of the CEC, that during this very period of time Mr. Speaker, when they were about to make recommendations, we had of course the very untimely and unfortunate event of our valve going at the North End Treatment plant. Of course that made it very easy then politically to bring the big hammer down and to make some very strong recommendations towards the City of Winnipeg.

Because at the end of the day, Mr. Speaker, we, the citizens of Winnipeg are an easy target. They are an easy target by the Provincial government to say that this is what they're doing. We're targeting you. We're making this happen now. The City of Winnipeg is far more easier a target to legislate against Mr. Speaker than farmer Brown is out in the field. And an easier target then let's say, the good State of North Dakota or the good State of Minnesota, or as far as that goes, the Province of Saskatchewan.

Mr. Speaker we know that the problem has gone from $750 million to $1.2 billion, to $1.3 billion, to now what we're seeing is, hearing $1.5 billion and the latest Mr. Speaker, $1.8 billion. It's quite ludicrous, Mr. Speaker and mind boggling. And the Premier as been noted, has delivered yesterday, $206 million dollars towards this problem.

So let's take the worst case scenario Mr. Speaker that it's a $1.8 billion dollar problem because around here unfortunately, we find that it's probably the best bet to take the worst case scenario because that tends to prove out to be the case. $206 million dollars Mr. Speaker is barely 10%, is just over 10% of the problem that we're facing and we're supposed to be grateful.

Grateful of this wonderful announcement from Premier Doer that they've decided to give us just over 10% of a contribution to a $1.8 billion dollar problem. A problem which I would argue Mr. Speaker that they have manufactured for the citizens of Winnipeg. This Mr. Speaker is an insult to the intelligence of the citizens of Winnipeg and the people of this City. And we're now supposed to sit back Mr. Speaker and

also be grateful when the other $206 million flows from the Federal government.

Mr. Speaker clearly, clearly, $206 million, for the Premier to announce it just one day, yesterday, all of a sudden, $206 million dollars flowing, clearly there must be a massive public purse full of money, of the people's money. This is the same purse Mr. Speaker that the Premier reached down in and grabbed, all of a sudden when Highway 75 was being shut down and all hell was breaking loose there, grabbed $400 million dollars out of to take the highways budget from $130 million to $400 million dollars. The same massive purse, the same massive purse of public money Mr. Speaker I might remind you. The same massive purse that he is now prepared to reach in and pull $400 to $500 million dollars, who knows how much its going to be for the transmission line down the west side of Lake Winnipeg.

Mr. Speaker, I want to thank a Councillor here today especially after this morning's debate. I want to thank Councillor Clement, Councillor Clement for raising something last week and saying something Mr. Speaker that I think privately we were all thinking when he spoke up last Tuesday. We were all thinking of the hypocrisy that's going on with regards to the Provincial legislation because now for Mr. Speaker the third straight year in a row we are having to face this increase because of the challenge that we've been faced, that has been put on us by the Clean Environment Commission ruling.

And we now know that when this happens, we will have in this City, based on most major cities in this country, the highest residential sewer and water rates in Canada. Now having said that, we might at the end of the day also have the most modern sewer treatment system in the entire nation, probably North America, but we will have the highest sewer and water rates in Canada Mr. Speaker. And all of this being done Mr. Speaker quite cleanly and efficiently with literally, the Province and Federal hands being washed, washed out of the water being paid for out of the backs of the seniors and those on fixed incomes Mr. Speaker.

And I asked the question earlier where is the Federal government? $206 million. The Federal government the last time I checked Mr. Speaker was responsible for waterways. And yet when it came time for those Great Lakes to be cleaned up, there was billions Mr. Speaker, poured into the Great Lakes, Provincially and Federally. And it was not seen as a regional issue, a regional problem. The Great Lakes were seen as a national issue Mr. Speaker. This is a national crisis. But Lake Winnipeg obviously is considered the poor cousin compared to the Great Lakes.

Mr. Speaker the Federal government has paid $14 billion dollars recently to pay down the national debt; $14 billion dollars. I would suggest to you that money is already gone, obviously they've spent it but clearly, they have huge amounts of resources. Now if this was clearly a priority to them and they are responsible for waterways we would see far more than $206 million dollars and they would not just be matching the Province but showing them up and doing better and that's what we need today Mr. Speaker. And that's what the ratepayers need today.

Mr. Speaker I welcome the Motion today and I'll be supporting it to amend, to move away from having the water and sewer folks, the Water and Waste have to pay a dividend to the general revenue. This has never made any sense and the fact that we're moving in the direction to do it by 2009 is good sense Mr. Speaker. We'd love to be able to do it sooner but bluntly, it's going to create a hole in the operating budget that's going to have to take at least a year or two to fill.

And Mr. Speaker, Winnipeggers in my view, should not have to either be saddled with this. It's, it is basically bad science number one and it's politically motivated number two and I think Mr. Speaker clearly we need to revisit this with the Province.

Mr. Speaker: Councillor Leipsic moves extension of two minutes.

All in favour? Contrary? Carried.

Councillor Wyatt: We need to revisit this with the Province Mr. Speaker and we have to also revisit the issue as was mentioned earlier that the $40 million dollars, and who knows what it will be, when the time comes of the operating cost once the system is in place.

But Mr. Speaker we know that this rate increase is happening today because of the regulations being brought down by the Province. We know that's what happened previously and we know that's what's going to happen next year even with this money. So for those here Mr. Speaker, who stand up and say how wonderful this $200 million dollars is Mr. Speaker, well guess what, based on even the $200 million dollars, based on even actually the matching money from Ottawa we're still going to have to face increases next year Mr. Speaker, thanks to the fact that this massive colossal albatross has been hung around the necks of the citizens of the City and being asked basically unilaterally to cover the costs.

Mr. Speaker I think precedent has been set elsewhere in the country where the other levels of government truly come to the table and that's definitely what's required here. And that's not, that's definitely Mr. Speaker, not, is not what is happening now even with yesterday's announcement which I would suggest is complete tokenism. Thank you very much.

Mr. Speaker: Thank you. No speakers? Councillor Vandal.

Councillor Vandal: Thank you Mr. Speaker. Based on the conversations I've heard from the majority of Councillors this afternoon, I am wondering why the Motion to send this back and to re-examine the whole issue one more time was defeated.

I'm a firm believer in thinking globally and acting locally. I think that there has been some good discussion here around the science of the problem we're facing. Councillor Wyatt has talked about the big problem with Lake Winnipeg. And it's good to think globally. I would hope that he would act locally however, because the vote in this chamber today is going to encumber our residents, our citizens with a 25% increase in two years. Which is approximately $160 in two years and I suggest that that is not affordable for the majority of our residents. It's not fair, it's not transparent and it shouldn't happen.

What is it that we know? We know that water rates in Winnipeg today are the highest in Canada. Not after another 12% increase Councillor Wyatt, today, before we vote. Our water rates are the highest in all of Canada.

What do we know about the CEC recommendation? And I'll profess I'm not an expert on the recommendations but I know that there is approximately, not approximately, there is three wastewater treatment plants and a sludge treatment plant which need to be constructed at a cost of $750 million. It's got to be done by 2014, not factoring in inflation. That's very significant.

The other waste, the other separation of the sewer systems which we were doing anyway before the Clean Environment Commission report came out, costs approximately $500 to $800 million dollars. We have to do it by 2030. That buys us some time. Time is money.

Yesterday the Provincial government announced $206 million dollars for the water treatment plants. It's a very good day for the City of Winnipeg. It's going to help us get it done. I have no reason to believe that the Federal government are not going to soon be announcing a similar announcement. And I hope that with some stewardship on behalf of our Mayor and some diplomacy, that we can look at further partnerships to address this problem.

The solution? Was a 13% increase in 2007 and a 12% increase in 2008 for a 25% increase for ratepayers over two years or $160 for our citizens. It's not fair. We've talked about transfers. Included in that 12% increase is $32.5 million dollars which is going directly to general revenue

to address some of the other challenges and priorities in our operating budget when it comes forward in a couple of months, and I dare say in that operating budget you're going to be looking at a significant, looking at a significant business tax reduction and that's a clear line between ratepayers supporting business tax reductions. That's not fair. Over the last four years, five years, there is $130 million dollars that's flown from water and sewer rates directly to general revenue to pay for our priorities. Much of which has been tax cuts.

What are alternatives to a 12% increase? I heard the Mayor say yesterday that in terms of actual capital dollars what we're going get from another 12% increase is a $30 million dollar investment on our, a $30 million dollar investment on the actual capital work. I'm not sure if that's entirely accurate but when I look at our funding sources, because this is a budget issue, this is another issue that gets decided one month before the operating budget, which I think always puts us at a huge disadvantage because we don't know what the big picture is. But let's look at the big picture.

We have property taxes. We have business taxes. We have sales tax. We have $350 million dollars in our reserve accounts. Let me repeat that. $350 million dollars in our reserve accounts. And through a 12% increase we're looking at, if the Mayor is accurate, a $30 million dollar investment in our capital improvements for wastewater requirements and we think it's fair that we're going to charge our residents another 12%, 25% over two years, when we have $350 million dollars in our capital accounts?

So the whole notion that there is no alternatives to finance this is folly. There are. What we need is time. What we need is information. What we need is some stewardship, some leadership. We need a seminar. We need to get back to the war room, roll up our sleeves, negotiate with other governments and someone has to speak up for ordinary Winnipeggers. Because 25% increase in two years is simply not fair. It's not sustainable. It's crazy.

It's a complex issue. I've summarized it as succinctly as I can. I hope I didn't put anyone to sleep. Think globally, act locally. The vote you're going to be casting in five, ten minutes I hope, is going to impact ordinary Winnipeggers very significantly.

So it's no longer, it's no longer reasonable to just rally about how, what a bad job Gary Doer and the NDP have done while at the same time you're increasing taxes 25%, water rates 25%, I know you haven't Councillor Leipsic, increasing water rates 25% and diverting $33, $34 million dollars, $150 million dollars over six years to general revenue so that you can support business tax cuts. That doesn't work. It's hypocrisy. And don't think the Provincial government don't know it. Thank you.

Mr. Speaker: I assume the final speaker will be Councillor Swandel before we close debate. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. I'll just start just by talking a little bit on some of the motions that were in front of us. Councillor Vandal stood up Mr. Speaker and asked why we didn't support the Motion to refer this back after hearing what had already been said.

Well I didn't support it because I can answer his question. Who in good conscience would vote for an increase of 25% or more over two years? I can tell you in 2003 Mr. Speaker when this item first came, the increases over three years were some 42% that were proposed and those rate increases at that time were supported by 11 Councillors. I can answer his question. Those 11 Councillors at that time Mr. Speaker, yeas, well 10 Councillors and the Mayor, His Worship Mayor Murray, Councillor Eadie, Angus, Clement, Gerbasi, Lubosch, Smith, Steeves, Thomas, Vandal and O'Shaughnessy. I can answer the question. Those are the people that would.

You know… There is a great deal of history that goes with this and you know I could stand here and I can throw stones at the Province, yesterday announced

$206 million dollars, despite of Councillor Clement throwing stones at them. You know maybe that got something done, maybe it deterred getting nothing more done, but you know there is a piece at the table there but that brings us to the complexity of this issue.

The complexity of this issue. What was that $206 million dollars? Did it include the previously announced monies from the Provincial government? Well I believe it did not include those monies. It's on top of those monies, I think. I'm not sure. Did it represent spending on our combined sewer overflow relief program? I don't think it did. I think it's specific to sewage treatment plants, the three sewage treatment plant projects but I'm not sure. Is it flowing next year? Is it flowing in '10 or '11 or '12? When is the money coming? I don't know.

What I do know is we have a serious issue in front of us today. There's a reality that we have to deal with and there's a timing issue. If we delay this and we go back, the delay of 30 days costs $1.5 million dollars. That's what that rate increase represents per month to this project, $18 million dollars over 12 months.

So I can go on down the list here with the questions that I've listed out in front of me. The total announcement yesterday was actually $365 million dollars. The additional $159 million dollars refer for projects in other municipalities. Some of those municipalities may be our capital region friends that we are currently in service sharing negotiations with. So perhaps some of that $159 million dollars can be used jointly with the City of Winnipeg's $206 million dollars that's being offered and perhaps we can help to alleviate some more of our problem. But again we have a reality.

Today we need to make a decision. We have to continue this project. We have to continue the time lines and obey it. Perhaps we'll be back here in four months and we're saying you know for the second half of the year we can reduce rates because this is the impact it has. This is how much money, when this money is going to flow but the prudent thing to do is we have to carry forward. We can't just say no we're not going to do it because there's some maybes out there. We haven't counted them. We haven't rationalized them. We don't know. This is an extremely complex issue. And let's not make a simplistic decision.

I think it was, I know it was Oliver Wendell-Holmes. I know from Sartre to Holmes it's confusing. I'm jumping all over the map here today Councillor Steeves. It was Oliver Wendell-Holmes who said "I do not give a fig for the simplicity of this side of complexity but I would give my life for the simplicity on the other side of complexity."

Very simple to stand up and not look at the facts, not look at the problems in front of you. The reality is that we have to delve into the problems. We have to look at the timing and we have to look at the reality in front of us. I'll be supporting what's in front of us today. Nice to see the move from frontage levies, or from transfer to general revenue coming off of, out of the utility. Hopefully we'll get it done before 2009 and right what I see is a wrong policy. With that I leave it to the others to close.

Mr. Speaker: Thank you. No further speakers. I would say Mr. Mayor would you close on your Motion No. 2 and the clause.

Mayor Katz: Thank you Mr. Speaker. Some days it's agony and some days it's ecstasy. Mr. Speaker sometimes it ceases to amaze me how there are some elected officials who are prepared to do the heavy lifting and do what has to be done and act responsibly, and there are those who want to run for cover and pretend they are protecting the citizens of Winnipeg.

I was asked several questions by Councillor Vandal during Question Period and I intend to address them. Councillor Vandal raised the issue of transfers and implied this was connected to business tax. My amendment Mr. Speaker restates my '04 campaign commitment to address those transfers with a timeline. And unfortunately Mr. Speaker, I have no

choice but to rebut some of Councillor Vandal's attacks on our motives.

So let me address first of all transfers. The number of $30 plus million dollars has been thrown out. Let's talk about where that goes. $12.5 million is for both utilities as a percentage of revenue; $6.5 million dollars in so-called general savings; $13.5 from sewer rates paid for land drainage and $3.7 million dollars from sewer rates, from water rates pay for hydrants. It's not exactly a secret Mr. Speaker where this money is going, it's all there.

General transfers started as early as 1988 Mr. Speaker and general savings targets started early in this decade. Hydrant transfers started in the mid 1990s. Land drainage transfers started also in the mid 1990s and total transfers rose by approximately $10 million dollars in the last three years. But Mr. Speaker, does anybody want to ask the question what drove the changes because it wasn't business taxes, Mr. Speaker. It was a decision on the advice of Corporate Finance to charge all departmental budgets the full cost of debt and finance charges, program by program.

Now in December of 1995 Mr. Speaker, Councillor Vandal supported a water rate increase larger than today's, it varied between 11% to 14%. In November of 2003 Mr. Speaker, Mayor Glen Murray and Dan Vandal came forward with some bad news. It was called the Clean Environment Commission. Glen Murray, the Mayor at the time stated it's the law. He also stated, I quote, "$738 million is only half the problem." The Province ordered the City to implement CEC recommendations without the two-thirds financing support which was recommended by the Clean Environment Commission. The 2003 increase was 14% and the plan tabled included rate increases totaling 43% by 2009.

Did Councillor Vandal complain about the connection to property tax freeze? Did Councillor Vandal blame the increase on $22 million dollars being transferred to general revenue? Did Councillor Vandal say we were gouging the taxpayers? Councillor Vandal said, and I quote, "nothing, absolutely nothing". He voted for the increased plan without any demure or disagreement with the motive, a plan that included projected increases right out to the present day Mr. Speaker.

Mr. Speaker let me tell you what we've been doing with some of that money to solve some of our problems. We have been spending millions of dollars to cover the phantom dividends from SOAs that were set up to fail. Millions to end the practice of low-balling police overtime to make budgets look better. A million in new funding that was committed by the previous Mayor for the arts but the money was not allocated. Another million dollars for the WHHI programming and millions of dollars to cover the losses from inaccurate photo radar budgeting.

Mr. Speaker no one is hiding this money. It's not being spent irresponsibly. It's going to solve problems from previous days. Problems that demand constructive discussion not allegations that ignore the facts.

Councillor Vandal talked about the reserves. Well you know what Councillor Vandal knows the reserves are there to cash finance capital. And if Councillor Vandal wanted to avoid what he called gouging ratepayers he could have dipped into the reserves in 2003. Guess what, Mr. Speaker that never happened.

It's time for all of Council to act responsibly. No one here wants to increase any rates, whether it's Transit, whether it's water or sewer that doesn't gain you popularity but my God isn't that what we're elected for Mr. Speaker? Just yesterday Mr. Speaker I returned five phone calls to people who did not want to see our rates go up. I got through to four of them and after explaining to them the facts and what's going on and why and also letting them know that some of the rumours that have been presented by others were not true, they all had no problem with it.

Mr. Speaker I would like us all to act responsibly and to all solve the problems that we face. And as I mentioned earlier Mr. Speaker we've been dealing in good

faith with the Province and they announced $206 million dollars. There was no doubt in my mind the announcement was forthcoming and I said that a week ago. And I have no doubt in my mind the Federal government will make an announcement and hopefully, it will help solve our problem.

$18.3 million dollars is what will be raised per year if this increase goes through. Over five years, $91.5 million dollars. Mr. Speaker it's a drop in the bucket. We need these monies and unless someone else has a better idea, this is called acting responsibly.

And number two, we are changing bad policy based on support for the amendment to make things the right way, make things transparent and do what should have been done a decade ago. Hopefully we'll have that done within the next year and a half or sooner. I hope everybody supports this. Thank you Mr. Speaker.

Mr. Speaker: Thank you Mr. Mayor. On the Motion No. 2, a recorded vote has been called by Councillor Gerbasi on Motion No. 2 that is before us now dealing with an amendment to Item No. 2. On Motion No. 2, moved by Mayor Katz and seconded by Councillor Clement.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Mr. Speaker Councillor Lazarenko.

Nays

Councillors Browaty, Gerbasi, Pagtakhan, Smith, Thomas and Vandal.

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

Mr. Speaker: It's Carried.

On the Item No. 2 as amended. A recorded vote I would assume again, by Councillor Gerbasi.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Clement, Fielding, Leipsic, Nordman, O'Shaughnessy, Steeves, Swandel, Wyatt and Mr. Speaker Councillor Lazarenko.

Nays

Councillors Browaty, Gerbasi, Pagtakhan Smith, Thomas and Vandal.

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

Mr. Speaker: Carried.

Motions none. Consideration of By-laws Councillor Clement.

**STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
CONSIDERATION OF BY-LAWS**

Councillor Clement: Thank you Mr. Speaker, I'll move that By-laws No. 201/2007, 202/2007 and 204/2007 be read a first time.

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

Councillor Thomas: Record me in opposition to By-laws No. 201/2007 and 202/2007 please.

Mr. Speaker: Councillor Thomas wants to be recorded in opposition. Do you got it? Good. Proceed.

Clerk: By-law No. 201/2007, 202/2007, 204/2007.

Councillor Clement: I'll move that By-laws No. 201/2007, 202/2007 and 204/2007 be read a second time.

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

Councillor Thomas: Nay.

Clerk: By-laws No. 201/2007, 202/2007 and 204/2007.

Councillor Clement: I'll move that the rule be suspended and By-laws No. 201/2007, 202/2007 and 204/2007 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 Thomas: Nay.

Mr. Speaker: Addendum.

Councillor Clement: I'll move that By-law No. 208/2007 be read a first time.

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

Councillor Thomas: Record me in opposition to By-law No. 208/2007 please.

Mr. Speaker: Councillor Thomas you're recorded in opposition.

Councillor Thomas: Thank you.

Clerk: By-law No. 208/2007.

Councillor Clement: I'll move that By-law No. 208/2007 be read a second time.

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

Councillor Thomas: Nay.

Clerk: By-law No. 208/2007.

Councillor Clement: I'll move that the rule be suspended and By-law No. 208/2007 be read a third time and that same be passed in order to be signed and sealed.

All in favour? Contrary? Carried.

Councillor Thomas: Nay.

Mr. Speaker: Question Period. None. Standing Policy Committee on Finance. Councillor O'Shaughnessy no report? Finance Motions, none. Consideration of By-laws, none. Finance Question Period if any? None.

Standing Policy Committee on Downtown Development. No report. Motions, none. Consideration of By-laws, none. Question Period. Any questions? None.

Alternate Service Delivery Committee report of November 8th of 2007, Councillor Swandel.

REPORT OF THE ALTERNATE SERVICE DELIVERY COMMITTEE DATED NOVEMBER 8, 2007

Councillor Swandel: Mr. Speaker I'm pleased to introduce the report and move adoption of the Consent Agenda Items 1 to 3.

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

Councillors before we, before the adjournment is called I'd like to thank Mayor Katz, Councillor Steeves and our acting chief administrator Alex Robinson, on the fine job you've done Mr. Mayor. To congratulate you on the new appointment of a new Chief for the City of Winnipeg. Councillor Steeves I know you were very vocal on this and I was with you on that choice and I'd just want to thank you and we will welcome the new Chief, Chief McCaskill who's come back from retirement to carry out due diligence is what we are looking at in the policing of our City of Winnipeg. I know that the Police Association are very happy and I've talked to a lot of people who are very happy. To Keith McCaskill congratulations and Council congratulates you also.

Also I understand that Bartley Kives got married. Is that right? When I saw him he was falling asleep in the chambers a number of times. So I don't know if that was, if this is what happened.

So anyways, who is going to move adjournment? Councillor Swandel moves adjournment.

ROLL CALL

Clerk: Mr. Speaker Councillor Lazarenko, His Worship Mayor Katz, Councillor Browaty, Clement, Fielding, Gerbasi, Leipsic, Nordman, O'Shaughnessy, Pagtakhan, Smith, Steeves, Swandel, Thomas, Vandal and Wyatt.

Council adjourned at 4:25 P.M.