PRESENTATION TO
WINNIPEG CITY COUNCIL — EXECTUTIVE POLICY COMMITTEE
MARCH 17, 2008

RE: 2008 OPERATING BUDGET

by the
MANITOBA OBLATE JUSTICE & PEACE COMMITTEE

The Oblate Justice and Peace Committee is made up of Catholic priests, religious brothers and lay people who advocate for fairness and justice in our own communities and around the world. We are part of the Missionary Oblates of Mary Immaculate, who have served the people of Manitoba for over 160 years.

We are grateful for this opportunity to once again present our opinions and analysis to the leadership of our city. We appreciate your patience in listening to so many delegations over the course of this long day, and your openness to hearing many very diverse points of view.

Our task, as people of faith is to present a vision that we believe conforms to the vision of the Creator, where men and women can live in harmony with each other and with our environment. In order for this to be possible, we believe that all citizens must have fair access to the resources of the community and all citizens must contribute their fair share to the common good of the community. We dream of a city where our common life will recall the experience of those who once gathered manna in the desert: where each family will find that they have exactly what they need.

1. Taxes

Therefore we support the proposal to refrain from any major tax cuts this year, including the planned reduction in the business tax. We are aware that our city leadership senses that we are "against the wall" financially and, in response, proposes the elimination of many jobs and substantial cuts to city services. Under such circumstances, a major reduction in taxes to one sector of the community could only lead to increasing cynicism among many Winnipeggers and increasing doubt that our leadership has the common good of the entire community at heart.

We applaud Mayor Katz for having raised, in the media, the question of possible future increases to the general property tax. That is not to say that tax increases in themselves are a good thing. However, Mayor Katz's musings have helped ignite a new public discussion about city finances and how to assure that there is enough revenue to maintain an adequate level of services. Analysts on the left and the right have agreed that there may be a need to seek a fairer formula for determining how the business sector should pay its fare share for city services. However, we believe this must be cone without simply transferring the burden to other sectors of our community, as the elimination of the business tax would have made inevitable. The 2008 budget proposes a new hotel room tax. In making this proposal, you have recognized that while businesses contribute immensely to the wealth and well-being of the community, at the same time every business benefits from the many services without which they would not be able to survive and flourish.

2. Rapid Transit

In its recent budget, the Government of Canada offered $18 million to the City of Winnipeg for transit infrastructure. Given the well-established tradition of the provincial government matching such grants, it would be reasonable to expect that grant could grow to $36 million. This is in addition to the $2.7 million that the budget proposes to stash away for future construction of a rapid transit system. Therefore we join with thousands of other Winnipeggers in realizing that the future has come. $40 million is suddenly within our reach – nearly enough to build the first phase of the system that was proposed in the Mayor's Rapid Transit Task Force two years ago. We understand that the City has until the end of this month to make a proposal to the federal government, or the offer will be removed and the money forfeited.

We were amazed that, after the announcement made in the federal budget, our city leadership did not jump up together and cry "Yes! We have a plan!" It may well be that no plan has yet been announced because there are *in camera* negotiations in process and that any day an announcement will be made. We simply cannot believe, in a year when the city is pleading poverty and insisting that senior levels of government contribute more toward our city's infrastructure, that we would simply say "Thanks, but no thanks!" when this kind of offer is made! We encourage our city's leadership to press on with – or immediately initiate – these negotiations. We also urge you to commit the further $15 million that would match the federal offer. If necessary, a small portion of the new road construction that was foreseen in the capital budget should be postponed. For this relatively small price, we would overnight triple the buying power of our investment. A growing majority of Winnipeggers and our Mayor himself say that a rapid transit system is crucial if our city is to grow in an orderly and environmentally responsible way. We celebrate this opportunity to finally move ahead with this project.

3. Low Income Housing

Across the country, all our major cities are faced with the growing problem of insufficient quality housing for low-income people. All levels of government have all but ceased investing in new housing for low-income individuals and families, insisting that we can no longer afford to provide decent shelter for our least advantaged citizens. However, it is becoming evident that this has been a false economy. In recent months the Winnipeg media has shown that governments may end up spending tens of thousands of dollars per year to attend to the needs of one street person who does not have a decent place to live. The Free Press story, of course, presented an extreme. However, the point was made that the cost to the community of *not* providing supports such as decent housing may well be far higher than the cost of providing those supports: "Pay now or pay later" as the adage goes.

Senior levels of government are now providing increased transfers for municipal infrastructure because the mayors and councillors in cities across the country worked very hard to put pressure that finally could not be ignored. It is time that our cities begin addressing this second serious "infrastructure deficit". We encourage our mayor and council to take similar leadership in the matter of affordable housing, with special attention to those with mental health problems and other special needs. A good start would be to increase the municipal allocation for low-income housing. However, we urge you to take an even more important step. Winnipeg is blessed with a wide spectrum of community groups that have the expertise to come up with a plan to address our housing crisis. We encourage you to set up a process of consultation with these groups and to devise with them a plan that would be presented to senior levels of government.

4. Youth

In our examination of the proposed operating budget, we are concerned to see reductions in services that will affect young people, especially those who live in the inner city. For example, the proposed decrease in funding for public art will possibly include programs such as the Graffiti Gallery. We personally know of young people, former "taggers", whose lives have been turned around by the programs at the Graffiti Gallery. Following the same logic that the Winnipeg media discovered when there are inadequate supports for the "bottom rung" citizens of our city, we wonder how many more police we will need to put on the streets of the city and how much vandalism homeowners and businesses need to address when we make cuts to programs for "at risk" youth. In your careful re-examination of the operating budget, we encourage you to talk special care to assure that programs for "at risk" youth will be protected and even enhanced.

5. A Living Wage

Finally, we would like to make on more suggestion that could make a significant improvement in the lives of low-income Winnipeggers and their families. Our city provides, for the most part, good salaries for our employees. However, as more city services and construction projects are contracted out to private businesses, there is a risk that more and more of those who work for the interests of the citizens of Winnipeg will no longer be earning sufficient wages to support themselves and their families with dignity. Therefore, we strongly encourage our city leadership to join with the mayors and councils of a growing number of North American cities in instituting a living wage policy.

Simply stated, the city would ensure that every city employee and every employee of an enterprise that has a contract with the city must be paid no less than a living wage. Currently, most Canadian economists reckon a living wage according to the LICO or Low Income Cut Off that is calculated every year by Statistics Canada. As the citizens of our city once again prepare to enter a discussion about how the wealth and resources of our city should be fairly taxed and distributed, we believe that this is another idea whose time has come. Indeed, it is urgent. The alternative would be to allow the weight of maintaining the city's services and infrastructure to fall unfairly on the shoulders of those who are least able to bear it.