CUPE Local 500

Speaking Notes to Executive Policy Committee

Re: Local 500 Position on the 2010 Operating Budget, City of Winnipeg

CUPE Canadian Union of Public Employees
Local 500

March 15, 2010

Speaking Notes/EPC Presentation on March 15, 2010
CUPE Local 500 position on the 2010 Operating Budget, City of Winnipeg

We would like to thank the Executive Policy Committee for giving CUPE Local 500 the opportunity to present our views on the proposed 2010 draft operating budget.

We believe that the role of Council is to provide services to Winnipeg residents. The services that we provide improve the quality of life in Winnipeg. Budgets have been tight for a number of years, and service quality has been affected in negative ways.

CUPE Local 500 represents about 5,000 civic employees who provide important frontline services to the citizens of Winnipeg in numerous ways. We value the work we do and want to provide the highest quality of services possible. As front-line workers, taxpayers and citizens of Winnipeg, Local 500 members know first hand what's important to the citizens of Winnipeg and how much they rely on quality public services. Therefore, we speak to you today in our roles as providers, users of city services and as your neighbours.

First, we'd like to comment on some of the merits to the proposed budget.

- An increase of $2 million dollars for future development and improvements at Assiniboine Park;
- Increased library hours at three library branches - Henderson, Pembina Trail and Westwood;
- The addition of eight more police officers and twelve paramedics is important and will improve services.

We also thank Council for its efforts to solicit public input by offering budget consultation sessions this past January. However, from our observations the process seemed rushed and not very accessible for citizens. While on-line surveys are useful, they have limitations in supporting a more in-depth discussion on the budget and citizen priorities. It is vital for the public to have their views heard and valued – consideration should be given to starting these sessions in the fall and holding more of them to maximize participation and input.

However, we have some concerns about the trends we see in the City's approach to financial operations and service delivery. Our analysis of the City's revenues and expenditures indicates that the City has a revenue problem, not an expenditure problem. Public spending on services and development has not kept pace with the need and is not improving substantially in this budget, largely because of the lack of revenue. It certainly is evident that this is due to policy measures reflected in this budget and past budgets.

Property taxes provide the majority of the City's revenue. The 2010 budget document provides a number of tables and charts that compare the trends in revenue sources and comparisons between Canadian cities. We do not plan to reiterate all of the points, but want to highlight that Winnipeg residents pay the third lowest property tax in Canada. At the same time, Winnipeg has seen growth in its population levels. New streets, sewer and water lines, traffic lights, sidewalks, parks and other services have to be provided to the new housing and commercial development areas. In proposing the 13th straight year of a property tax freeze, our City will fall further behind in addressing long standing infrastructure and these new service needs. We believe that now is the time to adequately resource our city.

We are also concerned about the increase in contracting out of City services over the last number of years. The budget does not disclose the full extent of contracting-out, what it costs the City or the reasons for contracting-out.

For example, City employees - our members, used to collect solid waste for the City residents and now all of this work is contracted out. The recent media attention has shown that the projected cost savings have not materialized.

Across Canada, numerous municipalities have found themselves with unexpected costs after they contracted-out garbage pick-up. In North Vancouver for example, City council decided to make garbage pick-up a public service again after the contractor kept increasing its fees. There are other numerous examples of where work was brought back in house due to various problems with the service provider. In 2009, the City of Port Moody, British Columbia took back the responsibility of garbage collection and recycling services to City employees due to the high number complaints about the service provider. The City of Grand Forks, British Columbia also brought its solid waste and recycling collection back in-house in 2009.

Contracting out is never as cost-effective as doing the work internally, by dedicated and experienced City staff.

We believe that the residents of Winnipeg want value and services for their tax dollars. They want a level of services that will provide a good quality of life in this City. They want their streets and sidewalks maintained, to go to parks that are clean and safe and they want accessible and affordable recreational programs for their children and neighbours to enjoy to name but a few of the quality public services that make our community a good place to live.

Recent polling results both locally and nationally indicate that a majority of citizens support a tax increase in order to ensure service provision. Responses also indicated that residents feel that businesses should also pay their fair share of taxes.

To strengthen the value and level of services provided by the City of Winnipeg, CUPE Local 500 is making the following recommended changes to the 2010 operating budget:

- First, implement modest and regular increases in property taxes. Our studies have shown that Winnipeggers are willing to consider tax increases if they see improvements in services and the wise use of their tax dollars. Starting the increase now will soften the load for taxpayers over the next few years.

- Second, businesses and commercial properties need to contribute more to the financial well being of the City. They benefit tremendously from the services provided by the City and should pay their fair share. We recommend that the City review its business tax policies to ensure that businesses pay their fair share of costs for services.

- And third, we should be collaborating to identify opportunities for civic forces to provide the services that are currently provided by the private sector. The experience across Canada is that private delivery of public services or the privatization of public infrastructure is not working in the public interest. Public sector workers, with the guidance of progressive political leaders, have been proven again and again to be the best people to deliver public services.

In conclusion, Local 500 members are proud of the services they provide to the citizens of Winnipeg. As public sector workers, we are prepared to do our part to meet the needs of Winnipeggers. But to do so, we need City policies and financial resources to do so effectively.

Thank you again.

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