COUNCIL OF THE CITY OF WINNIPEG
Wednesday March 19, 2003
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The Council met at 9:35 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 Gerbasi.

ROLL CALL

Clerk: Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steeves, Thomas, Vandal, Wyatt and Lazarenko.

Mr. Speaker: Mr. Clerk could we have the notice of the special meeting read please.

Special Meeting Notice

Pursuant to Section 79(1) of The City of Winnipeg Charter, I am directed by His Worship Mayor Murray to arrange a Special Meeting of Council on Wednesday, March 19, 2003, at 9:30 a.m. to consider the 2003 Current Estimates.

R. Kachur,
City Clerk.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: We have three Pages with us this morning. It's my pleasure to introduce David Gudel of Fort Richmond Collegiate, who has the great good fortune to reside in the St. Norbert Ward.

Allison Forzley is back from St. Mary's Academy and she resides in the Fort Rouge Ward.

We also have Madeleine Pundyk also from St. Mary's who resides in the River Heights/Fort Garry Ward.

We have one delegation this morning. Mr. Dave Angus, President and CEO of the Winnipeg Chamber of Commerce, with regard to what we're speaking about this morning. Welcome David.

DELEGATIONS

Mr. David Angus: Thank you very much. Your Worship, Councillors. I once made a presentation to Council and said, fellow Councillors, quite a mistake.

Pleasure to be here on behalf of the Winnipeg Chamber. We represent over 1,400 companies in Winnipeg, 2,600 individual members which makes us the largest business association in the City.

We are proud to say that we have been active partners with the City and this Council in the pursuit of a globally competitive city with a robust economy providing increased opportunities for Winnipeg citizens.

Last fall the Winnipeg Chamber tabled its new strategic plan which I know you have all read and I can give you a quiz and you'd be able to answer all the questions. It's a document, this, which is called "The Winnipeg's Global Opportunity" which outlines our vision for the City of Winnipeg and the Chamber's role in accomplishing that particular vision.

Quoting from the Plan, "we recognize it is time to elevate our sights. We must adopt a whole new vocabulary as a community and replace words like stagnant, middle of the road and have not with dynamic world class and vibrant". Our response to all matters as it relates to this Council and this budget is all related to the Chamber's perspective in our goals outlined in this particular strategic plan. I bring that perspective here on the 2003 city budget.

We support the proposed budget that's been tabled. Based on the fact that it will serve as a bridge for the development of the next three year budget which we think is critically important to our city, and certainly the Chamber will be an active participant in discussions and recommendations coming forward on that three year budget. We will work with you

over the next year to ensure that that long term budget incorporates elements that are consistent with our vision for the City. Our comments on the budget today are directly related to the need to build a globally competitive centre.

Winnipeg business and citizens must not be placed at a competitive disadvantage in this country or globally. In fact Winnipeg can't settle for being just as good, we need to be better, we need to be more competitive than other centres.

We've been very supportive of the City's efforts to reduce the property tax burden, and we've been an active partner in that pursuit and we commend you for those reductions. And certainly we'll be coming forward to propose and to urge you to finish the job in the next three year plan which I know you're all committed to in terms of achieving the 10% property tax reduction which we embraced.

We also commend the City for actions they have taken on Friday, more efficiencies within civic government, and again the Chamber's been an active partner. In 1999 the Chamber submitted to the City our CSRG Report which was our analysis of the then over 300 services provided by civic government, and identified areas in which savings and efficiencies could be found based on where we saw the civic mandate and civic priorities.

We have seen many of these recommendations adopted and we commend you for that. And implemented which is directly led to the City's ability to reduce the property tax burden on Winnipeggers.

At the same time, the City citizen surveys have shown an increased satisfaction with the level of service from their civic government which really debunks the myth that finding efficiencies, that finding costs effective ways to deliver services reduces the effectiveness of those services. In fact we have reduced the cost of civic government and increased citizen satisfaction, and you should all be commended for that pursuit.

Having said that, we know that there are many more efficiencies to be found and we urge council to recognize that the pursuit of efficient government has no beginning and has no end. It's a continuous process that must continue and will be looking for more efficiencies to be found through alternative service delivery mechanisms in the next three year budget.

The issue of education funding and the ever increasing reliance on escalating property tax to fund education has now become a much bigger issue than the municipal portion of the property tax.

It is certainly in the sights of the Chamber and we have endorsed the AMM's recommendation in this regard to move back to a more 80-20 split on education funding. We urge the City to work with us to see the Province reduce its reliance on property taxes both residentially and commercially to fund education. It's not an appropriate way to fund education within this province and we want to work with you in order to find solutions with the Province to address that particular challenge.

Property certainly is not the appropriate tax to fund education and contribute to what we call the property tax shock that new residents experience when moving to Winnipeg.

The element that would move us much further along the competitive scale is the elimination of the business tax, and we've been very vocal over the last few years on the need to move this way as other centres across the country have.

Although we are disappointed that moves were not made in this budget, we will work hard with you to see a long term commitment to the elimination of the business tax started in the next three budget cycle.

The Chamber currently has a proposed plan which I think you're all aware of for the business tax to be eliminated over seven years, it would start with a cap on the revenue and so as business revenues

grow the rate can start to ratchet down, but then we see a threshold approach so that the smallest of the small business, business tax is a big issue for small business here in Winnipeg. Let's help them first. In a very responsible way, help those that need the help first and then ratchet it up on a threshold basis to eventually eliminating the business tax. And we look forward to working with you on that.

We are often asked how the City is able to do this. The budget is $61.3 million is collected or will be collected in 2003 on business tax. How can we possibly replace that revenue? We think that in the short term there are ways to do it through responsible approach and that's what we're suggesting. We are going to see a reduction in sort of our debt servicing costs. There are more efficiencies we believe to be found and cost savings to be found within civic government. We think the Provincial Government has a responsibility in this regard and we saw other provinces step forward to help their municipal governments eliminate business tax.

(9:43)

We think in the short term there are solutions to put us on the road.

But in the long term I think the answer to this question is directly related to the debate surrounding the future of cities.

We've been an active partner with the City in the pursuit of a new fiscal framework that will better suit the increasing demands placed on this level of government and at the same time allow it to further increase its competitive position globally.

A revenue system that allows for increased revenue, not through increased taxation but through the reliance on economic growth to bring monies that will not only allow cities to invest in their priorities but also allow them to reduce the overall tax burden on its citizens and on its businesses.

The Federal Government for example through its growth and revenues over the last number of years and through an expanding economy has over the last number of years been in a position to lower taxes, pay down debt and increase funding in priority areas. They have been able to do this because of the revenue model that they rely upon. We are committed to working with you, to reduce the City's reliance on property tax and find a model that will allow us to increase our global competitiveness. We think that is a very big part of long term solutions to the funding challenges faced by cities across the country not just Winnipeg.

Due to our reliance on property tax the assessment system becomes critically important. We urge the City to closely examine the September 16, 2002 final assessment report. We've outlined in our submission the areas that we think are most critically important and we specifically recommend action on shortening the assessment cycle and the transfer responsibility to provincial government to reduce the current duplication that currently exist. We support changes to the current way in which the assessment is being done and we've appreciated that report and certainly something that we embrace and we look to working with you to see those recommendations implemented.

Finally you can't talk about competitiveness without talking about quality of life. The quality of life to Winnipeggers is extremely important to a growing economy. The attraction or attention of people is a primary concern for industry as human resources are becoming the key to determine business expansion.

Through our efforts our image committee at the Chamber and through our surveying of Canadians, we know that Winnipeg over the years has created a vibrant arts and cultural community that has gained us national and international acclaim. Any good strategy will ensure that we invest in our strengths, and those things that set us apart from other

centres. The Chamber in 1997 endorsed in its entirety what we commonly refer to as the Buchwald Report which urged the elimination of the amusement tax as well as increased funding to the arts and cultural community. Thus we support the proposed increased funding track that this budget represents for the arts and cultural community.

We think it's a very important element to our quality of life in Winnipeg. The arts and cultural community we see as a real opportunity for us to have something that's internationally recognized and something for us to sell to attract and keep people here in Winnipeg. It would be a shame for us to lose that.

We see this investment as an investment that you can and have seen a return on. It's not only seen directly but the indirect benefits form a key element to our regional strategy for growth.

In closing, I just want to say on behalf of the Chamber and I would be remiss if I did not recognize the efforts and leadership of Gail Stephens. Gail has been a great partner with the Winnipeg Chamber. We have enjoyed the dialogue that we've had with her. We felt her always sense that she was very open to the thoughts of our membership. We think that she's had a tremendous impact on this city through her abilities, her leadership and especially her passion for the City. We certainly wish her all the best in the future. Thank you.

Mr. Speaker: Councillor Smith.

Councillor Smith: Mr. Angus, you haven't talked about service cuts, do you support the service cuts that have been made in the last few years in the City of Winnipeg?

Mr. Angus: We not only support the cuts in services where they make sense, we support a process where civic government identifies what its priorities are. Identifies what the civic mandate is, and invest properly in those priorities. I think it's healthy for any government to take a look at, and we looked at them. Over 300 services from dead animal retrieval to two-way radio repair, to all kinds of elements that we think either should be cut in terms of not appropriate for the City to be delivering them, or there are better ways for them to be delivered. Utilizing the private sector through contracting out, identifying the kinds of deliverables that you want and need out of that service, or relying upon a company that currently does it we think has been a very healthy process. I will refer to the survey that the City does which I think is an important survey that identifies that the City generally is very happy with the level of services that they have. Which tells me that the process of eliminating services or finding alternative ways to deliver those services has been a healthy process.

Mr. Speaker: Thank you. Councillor Wyatt.

Councillor Wyatt: Thanks Mr. Speaker. Thank you for your presentation.

I'm just wondering, are you aware that in this budget there is a revised business tax revenue assessment projection of $787,000 that's being applied to the budget, a revision of upward expenditure revenues coming into the City? Would you prefer to see that being applied to phasing out of the business tax versus going into the City's general revenue?

Mr. Angus: That absolutely is our position as it relates to a strategy for eliminating business tax. I have mentioned that the reality is we are disappointed that we haven't made moves on our business tax submission and part of that is applying increased business revenues to lower the rate. We'll be adamant as we develop our next three year plan which the process that we endorse that we start that process and look for those kinds of opportunities to make some moves on business tax.

Mr. Speaker: Councillor Lazarenko.

Councillor Lazarenko: Thank you. Mr. Angus, or should I call you John Angus. The question that I have for you. I met with you a few weeks ago and we talked

about the issues that the Chamber has with the Council.

We talked about the issue a number of years back continually about the business tax the possible elimination. I'd be in favour of eliminating the business tax providing we get some other source of revenue. Would the Chamber be in favour of the Government of Manitoba giving us legislation to impose a one cent gasoline or fuel tax and possibly a tax on the hotels? Would the Chamber be in favour?

Mr. Angus: I can't tell you whether the Chamber would be in favour of that because we haven't taken a position on that. If that is a serious proposal then what we would do is go through our process which would be that our tax committee would do the due diligence and bring it up to our board for a decision.

(9:52)

As a strategy, currently that's not our strategy in terms of eliminating the business tax. We couldn't support it today. But that is something we would need to create policy around. Including the idea of a hotel tax. That is something we'd need to revisit.

Mr. Speaker: Supplemental Councillor Lazarenko.

Councillor Lazarenko: Mr. Speaker my final question.

Would you Mr. Angus make an effort to meet with the Provincial Government to see if they can provide us with legislation so then we can find some source of revenue and eliminate the business tax?

Mr. Angus: Our position became clear in the last changes to the City of Winnipeg Act. The Province has gone through sort of an initial run of changes to the City of Winnipeg Act, and in large part we supported those.

Where we didn't support them was on things financial because we felt that all those financial pieces need to be addressed together. We can't do one absolution. Even in those particular items what we would prefer to see and when it comes to the flexibility that the Provincial Government gives you around a specific tool or revenue source, we would need to see it as part of the whole package. What are they going to allow you overall in order, what kind of flexibility are they going to give you to create some of these tools. Then we would evaluate the package. We would want to be part of that discussion because I think we have some definite ideas on where we think we need to go.

Our overall position however Councillor Lazarenko, is that we would not support anything that would increase the tax burden on Winnipeggers. However, I think there are opportunities for us to take a look at changing the revenue model for the City that will garner increased revenues through economic growth. That's our basic position.

Mr. Speaker: Thank you.

Moving onto the Report of the Executive Policy Committee, Report "A" of March 12, 2003. Mr. Mayor.

**REPORT "A" OF THE EXECUTIVE POLICY COMMITTEE
DATED MARCH 12, 2003**

**Item No. 1 - 2003 Preliminary Current Estimates
File FE(2003)**

Mayor Murray: Thank you very much Mr. Speaker. I would like to turn this over to Councillor Clement to introduce the budget.

Mr. Speaker: Councillor Clement.

Councillor Clement: Good morning everybody.

I'm pleased to be able to introduce the sixth straight budget in this Chamber that does not have a tax increase Mr. Speaker. I don't think that there's another major city in Canada Mr. Speaker that has done that. I'm completely unaware of them if they exist. We have

been reducing our debt and making a lot of financial moves that have been very decisive in allowing some of these things to take place.

I'd like to go through these documents as quickly as possible I guess to try and highlight some of the issues here.

In the clause itself, when you go to the first page of the clause there's a couple of clauses that are just language and then you get into the chart there.

The chart itself, the $1.4 million, and the reason I'm going to go through this is because there's been some discussion amongst councillors as to why these numbers changed and in some cases appear to be drastic changes.

The $1.4 million first of all wasn't in the original draft document because we were still negotiating with the Province on these issues. Between the time that the preliminary draft document came and the final document to EPC last week those discussions concluded with a $1.4 million coming from the Province, pigeon holed for those two specific issues. The mosquito larviciding and the fire investigation unit.

The other monies while they might appear to be a surprise to some folks, the fact is that every day of the year we have a number of people working in the Assessment Department and every time they close a file the assessment numbers move. It happens everyday. When we introduced the preliminary draft document it was introduced based on the best numbers that our finance people could give us at the time. Those numbers always move, this is not new, it happens every year. It doesn't always move as much as this frankly. As a matter of fact, I was led to believe when I was at Public Works at a meeting one day, Councillor Angus had asked me to come over, I actually announced at Public Works that I thought that the $400,000 for sidewalk and curb repair, the $65,000 for the bus on Amber Trails and the $200,000 issue associated with parking meters in some of our larger parks I believe were controllable and we had the money to deal with that. Nobody asked me where it was going to come from, everybody just accepted that it was there. I knew at the time that the assessment numbers might be somewhere around a million dollars, but I didn't know they were going to be like this. Ultimately as time rolled on we had that number develop.

The $1.9 million number I knew about and it was being applied to some one time capital issues. We left it out of the document as a number because we didn't know what the number had to be. We knew we had some flexibility there in and around two million dollars or thereabouts and didn't want to use a number that I couldn't substantiate. In fact when you go and if you turn the page to number five where it says, that the transfers from utility operations reserves and other funds as well as the fees and charges outlined in the budget be approved, that sentence is what gives us the right to use that $1.9 million.

It's coming from a sinking fund accrual, and essentially what that is, is that when we are doing capital projects and we set the money up to pay those projects off over 20 years, there's interest attained from a myriad of pots as it's flowing through the system and sometimes our people do very very well when they're investing our money, and we wound up with a small accrual there that wasn't needed to service those accounts. It's one-time money, it's not continual money, and therefore it has to be used on one-time issues, and the best place to deal with that is with capital.

If you wanted to try and add some of this up to make some sense of it, if you took the $4.511 million in capital contribution and subtracted the $3.392 million and the $787,000, you'll be left with $331,123. If you take that and you add those other numbers below the $4.511 million and throw in the $200,000 from the parking meters, you'll find that all those numbers add up to the $1.962 million.

The $4.5 million I believe on Friday you received a list of 10 capital projects that

totalled that amount of money. It's maybe a little confusing because some of those numbers were in the draft capital. The problem with the capital budget and I'll be straight up as I can about it, it was my view that when I first saw the submission from the Public Works Department and I appreciate we're not talking about capital today but one plays into the other. The Department had moved $5 million out of the $8.8 million for residential street renewal. They had moved it in fairness over $3 million of it into regional streets, and about $2 million of it into facilities.

(10:00)

Which we had reports on that needed money. That was the way that they saw it within the Department. If that was their envelope then that's what they had to deal with.

It was my view that we could replace that $5 million with money from the frontage levy like we did last year. But in discussions along the line with Water and Waste officials and other directors, it was deemed that we couldn't do that without an increase to the frontage levy. So we had to find that money. I just found in my own mind anyway, I couldn't believe that we could go to the Province for $5 million for residential street funding when we only had $3.8 million in there ourselves.

We had to bump that up. Essentially what we did to do that was some of these projects fell out of the document to do that and we're continuing to do them using one time money from the other side. That's why that document went out on Friday to try to explain how those numbers are.

Clearly there's some numbers that I'm going to call contingency numbers in there because there's some issues that haven't been dealt with. I'm not brain dead, I understand the four district model hasn't been finalized, but the reality is, is that if it is and I believe that the strategy would be to deal with that issue this year, that there are some monies that could be spent towards the end of the year and Chief Ewatski threw that number out. If we wound up going there you have to find the money. I thought that that would be an appropriate place to put some contingency money in relationship to that.

The one at the bottom on that page when we get into the capital next week, there's I know going to be a recommendation coming from the Public Works Chair to deal with some playgrounds. If he makes it, that $450,000 has to come from somewhere so I transferred it over from current to capital so that we would have that money if we want to make those decisions as opposed to spending it on anything else I guess. These are all issues that people seem to be high on but there are also things we may not be able to do on a year to year basis as well. The way we've got that structured we can.

It's true that we've done very well financially. It's true that there's some other things that all of us would like to see done. The difficult part is, as well as we're doing Mr. Speaker, the reality is, is that although our debt has dropped somewhat and will continue to do so given the way that we're moving ahead with our financing etc., the debt service that we currently are continuing to pay is in the 18% range of our total budget. Our bond rating people, other economists will tell you that cities that have got their debt and finance charges in the 13% to 14% range are healthy.

While we've been winning huge battles financially we aren't quite there yet. I think it's amazing frankly that this Council and for the most part it's this Council with a couple of changes, had a situation in 1998 which isn't very long ago where the net per capita debt for every man, woman and child in this city was $1,379 Mr. Speaker. Today that number is only $811. That's only five years ago. That's not '03 that's to the end of '02. That's very very significant. I just wish that that number was thrown out in the front pages a little bit more than it seems to get there. I think that's a huge issue for people.

There's also some major changes within this document Mr. Speaker. This document though notwithstanding it's zero, there are a number of things that

are sustained. Thin bituminous overlay as an example, there's still $2 million in here for that. We do a tremendous number of streets with that TBO program as everybody knows and it is whole in terms of what it was before.

The other major change in our budget, is we increased arts funding from $1.9 million to $2.4 million. I'm hopeful that that number will continue to move up over the next three years to something that will be a little bit more substantial.

Over and above that half a million dollars, we've also been funding festivals to the tune of $200,000 a year for the last three or four years, but we have been providing it with one time money at the end of the year. In fact in this budget we have actually made it a line item. Over and above that, we have also provided as a line item, $100,000 a year towards arts city which is children's art. We have increased arts funding by $800,000 this year, and when you add the $200,000 amount that's going to the Symphony, that's a million dollars more for art in this one calendar year, that's a fairly significant contribution towards art from this Council and I hope that that sends the right message to people that think that that's important as all of us do.

I'd like to say this about business tax. The rate is the same as it was before. It's the same as it's been for a number of years. But there is a document that's going to be coming out of Fiscal Issues relatively soon that will provide some options. I'm not going to tell you that they're going to be fun options or that type of thing, but there is going to be a document and we will be able to make a decision on that in the near future, I would think in the next couple of months I'm hoping.

Obviously I'm going to listen to what people have to say here today. There may be things that I can sum up with later on Mr. Speaker, and I appreciate my time is up right now.

I will move the document for voting purposes. I believe that it's a sound document, it covers the bases and it sets us up well to work towards a three year current budget for the future. Thank you.

Mr. Speaker: Thank you. Councillor Steek.

Councillor Steek: Thank you. Mr. Speaker in view of the magnitude of the document in front of us, the $684 million document, I would like to move that we go into Committee as the Whole. That will give everyone ample opportunity to express their views on this document.

Mr. Speaker: Motion by Councillor Steek, that Council move to Committee of a Whole to discuss the report before us today allowing people to speak more than once on the same issue. All those in favour of moving into Committee of the Whole? All those opposed? Recorded vote. All in favour of entering Committee of the Whole please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Angus, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steek, Steeves, Vandal, Wyatt, Lazarenko, Mr. Speaker Councillor O'Shaughnessy.

Nays

His Worship Mayor Murray, Councillors Eadie, Clement, Thomas.

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

(10:09)

Mr. Speaker: Motion is carried. We will enter Committee of the Whole. In accordance with Procedure Rule 51.1, I would ask Councillor Lazarenko to come and take the Chair for Committee of the Whole.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Now to commence with the marathon that we'll be faced with here this morning and this afternoon.

Speaking on what is before us here, Report of the Executive Policy Committee. Who wants to be the first one to start this. Councillor Steek has introduced his motion, it was passed. Councillor Steek you have the floor.

Motion No. 1
Moved by Councillor Steek
Seconded by Councillor De Smedt

WHEREAS the tax supported budget has had revenue increases of approximately 3.3 million from revised property tax assessments and approximately $780,000.00 from increased business tax, for a total additional revenue of approximately 4.18 million;

AND WHEREAS throughout the course of budget deliberations Council's plan was to work within a frame work of $677 million for its Current Budget;

THEREFORE BE IT RESOLVED that the following items, which are of a non essential nature, be not proceeded with but rather referred to the three year Current Budget:

Downtown way finding system - $250,000.00

Downtown regional park and waterfront maintenance - $500,000.00

Public art strategy - $500,000.00

Street scaping lighting - $675,000.00

River bank access park and dock network - $700,000.00

TOTAL - $2.625 million

AND BE IT FURTHER RESOLVED that the above noted $2.625 million be returned to the City of Winnipeg taxpayers via a municipal tax reduction.

Councillor Steek: Thank you Mr. Speaker. Speaking to the motion in front of you. I appreciated the commentary from the Chair of Fiscal Issues, and I appreciate the fact that a current budget is a dynamic not a static document. I also appreciate the fact that the Chair has indicated that there were some pleasant surprises in the form of additional revenue.

We're all aware that there is additional revenue that comes forward. I think what was surprising to some of us though Mr. Speaker was the way the dollars were allocated. I don't intend to dwell a long time on this motion, I believe it is self-explanatory. But I would like to speak to a couple of items in it just very quickly.

There is $250,000 in this document for a downtown wayfinding program. It's not just $250,000 this year, it's $250,000 for the years three, four and five, $750,000, which is essentially allocated to signage in the downtown area.

What I'm suggesting with the items that I've listed here is, I won't tell you that they aren't items of some importance but I believe they are items that can be stood down and looked at in future, current and/or capital.

The downtown wayfinding system is interesting because of the fact I don't know how many of you recollect when we passed it in September I pulled the clause and one of the other interesting things about it, is that although there is not a great deal of information about it, and I'm sure Councillor Gerbasi will speak to it when she has the opportunity later on. The fact remains that that was passed by a former council. I think we're all aware of the fact that you're not bound by the decisions of former councils. I'll give you but one small example.

For a number of occasions I brought forward a request for $250,000 to go toward assisting people throughout the City with the acquisition of an alarm system. I'll be speaking to that later. I would suggest that's a much greater priority than signage downtown. I don't recollect the last time somebody came up to me and it was lost downtown. We're not talking $250,000 we're talking $750,000 in the way of signage in the

downtown directing people to various facilities and so forth.

Downtown regional parks, an additional $500,000 for waterfront maintenance. This came to the table late again. The public arts strategy for $500,000 and I'm familiar with the question is, is it essential this year? An additional $675,000 for streetscaping. Now what's confusing about this Mr. Speaker, is if you take a look at the EPC report that's in front of you, I don't see the $675,000 in there. However, the $675,000 for streetscaping, lighting is in a document that came forward from Mr. Lussier. So my question is, what exactly is that $675,000? And is it in this document? My understanding from reading the memo that I received from Mr. Lussier where he gave us the total for capital of $4.5 million, this item is clearly flagged, but I don't see it in the document that came forward from EPC. Maybe there's some explanation. Maybe it isn't in the capital and I'm misunderstanding this. But I'd like to know what that $675,000 is.

Finally, the riverpark access and docking facilities, the network of $700,000. I asked how essential these items are for the simple reason Mr. Speaker, that in the entire time of the budgetary debate we heard repetitively the need for additional sources of revenue. We heard references to gasoline tax. We heard references to retail sales tax. We heard the fact that this is a city that was cash strapped. Yet interestingly enough a document that had a $677 million current budget suddenly escalated to $684 million, and nobody's questioning the money that came from the Province relative to larviciding.

I bring these items forward because I think they're the kind of items that can be referred off to future current and/or capital. But I also think they're a reflection Mr. Speaker of the way the document came together. I appreciate the frankness from the Chairman of Fiscal Issues who visited me after I asked for an explanatory note. But I don't believe for a moment maybe with the exception of EPC that the vast majority of people around this council chamber understand how these additional revenues moved in, and why these are essential items. I just flagged a couple for you there. I'm going to be interested in hearing from someone. Once again I go back to the document tabled by EPC and maybe I'm misreading it, but I don't see $675,000 in there as referenced and I'm not sure where this area of the City is. Maybe it's in River Heights, I'm not aware of it though. I'd be interested in hearing what that is and why it came to this document at this late a date. This came from Mr. Lussier, it didn't come from the Chair of Fiscal Issues.

Those are my comments. What I've suggested in conclusion is, there's approximately $2.6 million here. There will be many people around this chamber that will argue that these are items that are essential and critical and should be in this document.

I would suggest that they can be put off and there's a possibility of rendering a small tax reduction here.

With all due respect to one of my colleagues who said to me, why would we want to realize any kind of a tax reduction when the school portion continues to race out of control. That's not our jurisdiction but I do believe there is enough public pressure starting to be mounted that we're going to see something different there from a funding point of view.

The fact remains Mr. Speaker, is that this document came together in an unusual fashion in the end. There was no advance notification to anyone outside of EPC that these additional sources of revenue were coming, and what they were. Frankly if you take a look at the dollars that have been moved in, without exception they're EPC initiatives.

It's not a case of being petty or vindictive about this but I think these are fair and reasonable questions that I'm sure we're going to hear some explanations for Mr. Speaker.

In closing I would say this. This is part and parcel of what I think is an important budgetary process. We've heard we're going into a significant three year current

and capital and some of these issues will be addressed in the long haul. But I would suggest for this interim period for the short term budget of '03, there is an opportunity to actually pass along a tax saving here. For those of us Mr. Speaker that were at Public Works and moved the additional appropriations there, we know that those were turned down at EPC. We also notice when we look at the document here that there were approximately a million dollars in fees that were originally in the document that are no longer in the document and "it's the usual ubiquitous hand saying, we'll challenge the Administration to find other revenue sources". I would suggest that if EPC is desiress, there is an opportunity here to actually bring about a small reduction. Thank you.

Mr. Deputy Speaker: Are you ready for the question?

Councillor Eadie: Councillor Wyatt has to introduce Motion No. 2 Mr. Speaker.

(10:18)

Mr. Deputy Speaker: Councillor Wyatt. There is another motion that will be coming on following this one for the Seven Oaks House Museum also.

Motion No. 2
Moved by Councillor Wyatt
Seconded by Councillor Smith

That the Transcona Historical Museum budget be increased by $36,682.00

Councillor Wyatt: Thank you Mr. Speaker. I rise today in support of my motion for $36,682.00 for the Transcona Historical Museum. I don't think I need to discuss it very long. Members of Executive Policy Committee had the fortunate opportunity to hear the members of the Transcona Historical Museum Board who came before them, so did the Standing Committee of Protection and Community Services and so did the East Kildonan-Transcona Community Committee.

East Kildonan-Transcona supported their cause as well as the Standing Committee of Protection and Community Services. It is I guess Mr. Speaker need to rise today to speak in favour of this matter because I believe that it's not a large amount of money. The Transcona Historical Museum was formed in 1967 Mr. Speaker, the year of our Centennial. Never once since their formation have they ever gone through the sort of process have they ever come forward to City Hall looking for additional resources.

They made it very clear why they felt they had to and I made it very clear as well Mr. Speaker that this was not coming from the Councillor from the area, rather this was coming from the trustees of the Museum, the Board of Directors who are all volunteers who serve on the Museum because they believe in the Museum, they believe in the mandate of the Museum and the purpose of it, and the importance of preserving our heritage and our past, and our community's past. I realize that $36,000 is not a lot of money in the big scope of things, it seems rather small compared to a $684 million budget that we're debating here today. To the Museum it is very important.

Mr. Speaker, the Museum right now operates by the skin of its teeth on a daily basis. We have for example a city employee in the Museum and because of the demands placed on the Museum by the community and the need to be open to the public, we at this point in time are not fulfilling a lot of our contractual obligations when it comes to our city employee. Mr. Speaker may I have order in the Chamber please.

They're not fulfilling at lot of their contractual obligations Mr. Speaker. We're not fulfilling our contractual obligations when it comes to our employee, we have a full-time city employee who right now goes forward and basically to meet commitments by the community and demands placed on it by the community Mr. Speaker, has to log in overtime of which they will then apply their overtime to time off, lieu in time of. This then of course interrupts on their

vacation and their ability also to take sick time as well.

It's a serious situation with the Museum. They've already cut back their hours because of previous cutbacks and vacancy management increases that they've been effected as well as increased maintenance costs to the Museum building, which by the way is recognized as a heritage site. Has the top heritage category in the country, and is on the national museums logo because of the uniqueness of the building. They've already had to make cutbacks Mr. Speaker. They've reduced their hours on Sundays, they've eliminated their Sunday hours, they've reduced their hours during the week, and I fear that if we do not allocate this amount of resources to the Museum that they will either have to reduce their hours more and/or cutback on programming that they provide to the community and services they provide to the community schools and the children in our area.

I feel very strongly that this is necessary. This is not something that comes forward every year. To put it in perspective Mr. Speaker, the St. Boniface Museum receives $285,000 of this Council's money. If this is granted it means the Transcona Historical Museum will receive a total of $104,000 from the City of Winnipeg.

We're only asking to simply be treated fairly and equitably. We don't come forward every year to ask something like this. This is one in a lifetime, one since 1967 at least, once since then when we have come forward to ask for support from this Council. The Museum's trustees have done so because they believe it's necessary not because they want to do it out of any sort of luxury or any sort of grand scheme for the future, this is part of the need of maintaining the Museum's mandate and they generally feel it's necessary.

I would encourage Council to support this Mr. Speaker, and to vote in favour of it just as the Standing Committee and the Community Committee did support. Thank you.

Mr. Deputy Speaker: Thank you. There's another motion that is coming forward on the Seven Oaks House Museum. That motion is being presented by myself, seconded by Councillor Wyatt. Councillor Eadie would you take the Chair for me so I'll be able to speak to that motion.

(Councillor Eadie in the Chair)

Mr. Acting Deputy Speaker: I'll just read the motion for you. It will be distributed by the City Clerk in a few moments.

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

THEREFORE BE IT RESOLVED that the Seven Oaks Museum Budget be increased by $6,800.00.

Councillor Lazarenko: Thank you Mr. Speaker. Just to speak briefly to the motion.

When that request was made by the volunteers of the Seven Oaks House Museum at the same time a delegation appeared as volunteers with the Transcona Historical Museum. We appeared as a delegation before the Standing Committee and it was a clear indication that this was going to go through asking for an additional $6,800 for the continuation of the operation of the Seven Oaks House Museum. I understand that the Executive Policy Committee has referred it back to the Administration.

Now I know that it may be possible that there are funds available within the administrative grasp that they would be able to put that in there but I think it's only proper that this be done through the Council and for us to give directions to the Administration to proceed with the funding of additional $6,800.

When you talk about volunteerism that is going on with all the museums in the City of Winnipeg, we have to honour and respect people who are donating all their time, their own time. They don't get paid for this. They prepare the budget, the City concurs with that budget or they don't. In this case Seven Oaks House has been in existence for many years and what has happened, they needed additional staff to help them with the summer events that will be going on. There'll be more events going on at the Seven Oaks House Museum. It's hard to try and do something when they don't have the funds the funds that are required.

(10:26)

I as one Mr. Deputy Speaker, I would not be one to say we will not give it to you because it's easy to lose volunteers. Volunteers cannot get fired but they can quit. Once they do that we'd be faced with a heavy burden because then our budget will skyrocket because of additional funding that will have to be provided. You'd have to have a staff paid for as a city employee with all the benefits would be more than what they're asking for.

I'm asking Council to concur with this Motion No. 3, also concur with Motion No. 2. I can speak just very briefly to Transcona. I had met with some of the administrators and also the volunteers from the Transcona Museum. They had pretty well the same problem as we have with the Seven Oaks House Museum.

It is not much to ask for $6,800 for the continuation of providing services of historical value in the North End which is the Seven Oaks House Museum. I was kind of flabbergasted when I found out that this was not in the budget. I thought it was because according to the budget it's in there, but with the Executive Policy Committee's decision it is not, they had decided to pass it onto the Administration. This is too crucial for it to go to the Administration because then if the funding is available fine, but if it is not, we're going to lose valuable volunteers that are doing the work to provide the services to the Seven Oaks House Museum.

I'm asking Council members to support this motion, and support Motion No. 2 also, to put in the additional funding.

Mr. Acting Deputy Speaker: Thank you. We're now in Committee with the main budget clause and there are three proposed amendments. The floor is now open for debate and Councillor Thomas.

Deputy Mayor Thomas: Point of clarification before I start to debate to you Acting Speaker.

Right now I'd just like to speak to Motion Nos. 2 and 3, and then at a later time I would like to debate the other items. But I thought it was important to speak to just those two motions at this time. That will not in any way impinge on my debate for other motions?

Mr. Acting Deputy Speaker: As we're in Committee of the Whole Councillor, it's possible for Councillors to speak more than once on any of these items. When we get back into regular session then you get to speak once on the main clause and all of the amendments combined.

Deputy Mayor Thomas: In talking to both Motion Nos. 2 and 3, and I'm going to try and keep my comments as succinct as possible. There was a problem that Executive Policy Committee became aware of and it had to do when the Seven Oaks Museum gave their presentation to us.

We became aware when looking at that, that we had a number of museums and they all had different levels of funding and the funding levels went from $200,000 down to less than $20,000. It was decided that we have a process to study all museums and funding levels. While the Councillor for the area of Transcona suggested that a mere $36,000 was not a huge amount of money, and in a $800 million budget, $700 million budget often there that we're dealing with, $36,682 does sound like a small amount of money in comparison to that staggering figure, but the amount of increase that the Transcona Museum is asking for is more than the amount that the Seven Oaks

Museum gets from us in total. I think Executive Policy Committee thought we really need to look at that, at how we're funding museums and why we're funding museums.

I've got a very close relationship with the Transcona Museum. I can advocate very strongly for that museum and the resources and the money that I feel that it needs, but I don't have a personal relationship with the other museums. I think it's important to be fair to Seven Oaks, to be fair to all the museums that are out there that we need to have a study and understand what funding levels we're giving our museums and how we can best support them. I think it would be unfair to choose two museums out of that total mix and decide to give them increased funding levels when we really have to look at the total mix and decide how we're doing this.

While I respect that both of those museums are operating on tight budgets and both of them are doing a very good job with limited resources, I would suggest that all our museums are doing that, and we should really look at this in a total picture. We may at some point when the report comes back decide in the middle of the year to make a number of changes to how we fund our museum. I think this is premature in ad hoc, and boy I'd like to see the Transcona Museum get more money, but I'd like to see it in context.

I would ask that you respect the process that Executive Policy had set up to actually look at this in context, and that we not do it outside of context. We could find that there's a number of museums and you've all got them in your areas, and you all know. I just heard someone say to me, well gee, maybe I should be putting in more money for my museum, and that's the point. Let's not get into that and have people ad hocking it because they know a particular museum really well. That we should do it in context, look at all of them. There was some really good points made from the Councillor for his area about the significant importance that his museum has, but I'm sure that all of you could stand up there and say something about your museum. Let's not go there, let's look at it in context. Thank you.

Mr. Acting Deputy Speaker: Mayor Murray.

Mayor Murray: Thanks very much Mr. Speaker.

I don't want to repeat everything that Councillor Clement said because I think that's pretty much explained the movement in the budget. We have always budgeted very conservatively. And we do so on the recommendations of our Chief Financial Officer, our Chief Administrative Officer. We're talking about a $3 million movement in property taxes, that's less than one percent. Not one percent of the budget but half a percent of the budget. It's about one percent of total property tax revenue and it could have easily gone the other way.

Normally Councillors we build a $4 million contingency into the budget which we've done every year save this year. This year the contingency I think it's about four or five hundred thousand dollars total.

(10:35)

Because we're passing the budget in March, normally if there is a surplus we would now be finding out that we were so many million dollars ahead in our first quarter report, and then that would come as a surplus at the end of the year. Sometimes that's eight million dollars, sometimes it's three million dollars, but we've never had a loss and it's one of the reasons we have a credit rating. One of the reasons we didn't put a contingency in this year because we were sure we knew when we went to the budget today it was sure of where the numbers would be.

When we're not doing a three year budget plan we're doing last minute budget decision-making which makes Councillor De Smedt's and Councillor Steek's motion a little surprising, that if you've been around here I think you know that happens.

What are we trying to accommodate? We're taking $2 million from the sinking fund which is in surplus for one time money. We had a list at EPC, went through all the things that standing committee went and quite frankly some of the things that I as the Mayor want because I have wants and needs as well as Council, and we put those together. So these are the kinds of things.

Councillor O'Shaughnessy needed money for the Amber Trails transit bus. There was $75,000 required for pest management. $400,000 recommended by Public Works for curb maintenance. $500,000 for downtown maintenance which is on this list for removal which if anyone had picked up the phone and talked to Jim Thomson he would tell you it's an absolute requirement with the additional infrastructure that that was the commitment we made to Public Works. When we did Waterfront Drive. As Councillor De Smedt said and I think quite accurately and I think he was very convincing, to make the City look like it did in 1999, there's $500,000 in there for downtown maintenance. It was ironically Councillor De Smedt's recommendation and I agree with him that our city downtown especially isn't looking very nice and there's $500,000 for curb, for maintenance, for cleaning, for flowers, and because we're adding infrastructure we have a Council policy in the SURP Report when we add streets like the Charleswood Parkway, like Moray Street Extension as it was known before. Kenaston Underpass, we're eventually going to do the Chief Peguis Trail, we have to expand our maintenance budget as we expand our infrastructure. That's Council policy.

Pool maintenance, $600,000 was added. It's not enough but we're going to try and do more. It's what's needed this year until we finish the facility study which we're spending money on.

Universal Design, $250,000. We discovered about a couple of weeks ago thanks to Councillor Gerbasi, whoops, we passed a motion, we committed to $250,000 this year and we forgot to put it in the budget.

Public art, in 2001 Council passed a motion to establish a public art committee headed by Heather Cram, many of these folks are in the audience, we asked them, what do you need this year, they said, about $500,000 to get us started to pay for public art. The report is coming here in the next month. Knowing that's a cost we put it in the budget. How it gets spent, all of that is for future Council. We're now one of the only major cities that doesn't have public art. That was a promise of mine in the election campaign. When you run for Mayor you get to go to Council and say, even at the last minute, look guys, I had to get elected by fifteen times as many people as you, so give me a break here.

Parking meters were taken out. Everyone thought the idea of parking meters in the park was a stupid idea. We asked our administration to be creative and come up with new ideas, they are. We're not going to agree with them all. We thank them for coming up with the ideas, $200,000 gone there.

The wayfinding system. This amazes me. If you pick up the phone and talk to Destination Winnipeg, Tourism Winnipeg every year has come down and when councillors have asked, what is the biggest problem, people get lost. We have one of the worst organized downtowns. When you go in the pedestrian walkway system you don't know where you are. I challenge you, if you have someone coming from out of town put them at the Bay and ask them to get to Portage and Main using the pedway system. It's challenging if you don't know the system.

We're trying to integrate transit signage. I was standing at Portage and Main and someone asked me where the Baseball Park was, there's no signage there even though it's two blocks away it's hidden by the highline, they didn't know.

This is a common sense thing, it's been on the backburner for a long time. We had a little extra money. It's been a priority for tourism. It's been an issue with the downtown hoteliers. The

Downtown BIZ has lobbied us almost every year in their presentations for this and for more downtown security, we thought we could address it.

Playstructures, $450,000. That was something that came out of Public Works and Community Services. Many of you said that. Councillor Angus and many others in Public Works. Councillor Lazarenko I want to thank you, all of you advocated for that, there's money for it, $450,000 more for playstructures.

Red River Community Centre, Councillor O'Shaughnessy raised this. It's a commitment we have to do it.

Assiniboine Park washrooms. Councillor Steek has raised this, good on him he's right. And we're putting money into it. The washrooms need an investment.

Can we do everything this year? No but we're trying to get some quick hits on things that have been waiting in the queue for a while.

The police stations need repair, and we're going slowly on that because we're trying to respect Councillor Wyatt and others have some concerns about that, but that's something we have to land on.

Almost all of this is various forms of things. I want to go to Councillor Steek's and Councillor De Smedt's motion which I think was well intentioned. I don't pick a fight with them about their right to do it. But let's go through this.

I talked about the downtown wayfinding system. I talked about regional park maintenance. The public arts strategy was a campaign promise of mine. It was also a council motion in 2001. Yes when we realized we had about three million dollars more I think that public art is important. I think that we should start building that right now and build some trust with the arts community and the artists and create an environment, if we're going to be an exciting city to do that.

Streetscaping. There's a problem. We had a whole lot of decorative lights ripped out. It came in at the last minute. Couple of councillors that happens to be in Councillor Vandal's ward. Hydro came in tore up a whole lot of lights all around Provencher and Tache, we got a bit of money from the Province to replace them. We've been asked at the last minute to put in $600,000 to replace existing lights that were torn down so we don't leave Provencher and Tache stripped bare of all of their lighting at the same year we're opening up the Provencher Bridge. That just seemed like a sensible practical thing to do and Councillor Vandal had quite a challenge same situation and he's a good guy, and he worked hard and he made his case and he convinced his colleagues and good on him. The same way we're spending $35 million right now on Kenaston because a case has been made by three councillors. It's a lot of money, it's an important street, you make your case, you get your money.

Now I want to talk about riverbank docks. I talked when I ran for Mayor about two things. The utilitarian city and the creative city. And I don't think that we're yet cutting it. We're fixing potholes like we never have before but we're not there yet.

I made a very strong commitment as Mayor for five years and two elections to opening up our rivers. We're doing it with Waterfront Drive. We have some challenges with the river dock system. As you know the operators had some difficulty. We're trying to get the Floodway lowered to the level down to eighth at level James so we don't flood the Floodway. And we're trying to add docks. We're trying to rebuild Alexander, we're trying to make that a first class tourism attraction and a great way to get to the Forks.

We have an opportunity to do that. They're all ready to go. This is a plan that Council approved, this is the car rec plan which we approved and we've done it on an as we can basis. I think keeping that is very important. Part of the reason we're rushing this in this year quite frankly is because I want it and I ran for Mayor and it's an important priority for me and you

come to me as councillors and say, Mr. Mayor would you support me on this, this is an important issue and sometimes I can and sometimes I can't.

(10:41)

We're in the ground on Alexander Docks right now. It's very inexpensive right now to fix that dock so that it isn't standing out like a sore thumb. I think it's important to do it.

Are we going to make the final decision on it today? No. That's what my problem with this motion is in some senses, this is a capital item. This is going to be debated at standing committee yet, you guys can decide yes or no, you're going to support it, and we're going to have a whole other council meeting on all of the capital items including the docks amongst other things. But I think it's very important to make that investment to rebuild that.

I want to talk a little bit about arts and culture. Five years ago we were spending $52 million less on fire/police/paramedics. We now spend $52 million more in this budget in 2003 when those of you who were elected with me in '98, that $52 million, now think that $3.6 million is a one percent tax increase it gives you an idea of how much that is.

Public art, arts and culture, the entire amount is $1.5 million for public arts strategy, arts and culture. That's our total increase. $1.5 million compared to $52 million for public safety. I don't think we're being extravagant here and I ask you to support the basic elements to support our arts and culture community and start putting that in, and I don't think that should wait because I think they've been waiting 12 years for an increase in funding and 12 years for public art and it's about time we gave it to them because they deserve it. Thank you.

Mr. Acting Deputy Speaker: Councillor Lazarenko.

Councillor Lazarenko: Thank you Mr. Speaker. Speaking to what is before us today. I say the budget is good, it's a very good budget, better one than we had last year or the year before that. Except one thing, $6,800 to the Seven Oaks House Museum.

If I may Mr. Speaker, I had lunch with Alex Forrest who's the President of the United Fire Fighters Association of Winnipeg and I spoke to him briefly yesterday at noon and he asked me to say a few words and to thank the Mayor and Executive Policy Committee and Council for the budget that they are very satisfied with. I'm doing it for you now Alex, you asked me to say it and I'm saying it.

It's very rare that we ever have someone from the union coming and telling us this. But it shows you just how important it is to provide the services that are needed especially emergency services.

I've always been on the side of emergency services such as the Fire Department, I was mighty proud to be with them and they were with me in the last civic election in October. I was not the only one. In the years that I have been providing the support, I have to say here that I want to thank you Mr. Mayor and the Executive Policy Committee that you did not leave behind the fire fighters or the emergency essential services because it's so crucial in the City of Winnipeg when you have politicians run for public office they always will say, public services and health is our top issue, then after a few months that is forgotten it goes down by the wayside. Right now what I see the Province is quite famous in repeating that mistake that had been made by others and we were following in that same suit until now somehow the trend has changed to see what our priorities are, and the priorities that we've got in place right now, I'm sure not only with the fire fighters but the Police and the Paramedics will be satisfied with this budget. Nothing is perfect, nothing you can say is 100%. At least we're on the right road that we have to travel is the road of responsibility and common sense.

I know that the Executive Policy Committee have the responsibility of preparing a budget, that is in the Charter. The Administration have to be thanked also because of the many hours and days and months that they work to prepare a budget that will be suitable to members of Council to pass it. What makes it very difficult is when you have motions that come to the floor of Council then you have to revisit this all over again. We have two of our administrators sitting just in front of me, and this is one thing, they have to sit here and watch. Anytime there's a motion presented and that motion has to be changed or passed by Council they have to go into the books and all of sudden they have to go to back to square one and go back counter clockwise to try and come up with a number.

Our responsibility Mr. Speaker is to prepare and present a budget that has to be passed before the March 31 deadline. I remember a number of years ago back in the '70s when I was one of the so called vigilante group that was consisted on the floor of Council and we had voted against the budget altogether and then the late Mayor Steven Juba didn't know what to do because we had about two days of a deadline to meet that requirement under the legislation that we had to pass the budget. What happened, the Mayor at that time decided to call a meeting immediately the next day and most of us had changed our mind to make sure that we were on the right track. It's very important because Steve Juba said he would go to the Premier and to the Province and we lose our seats, they pass the budget and we're out. This in itself at that time was in the Act.

When we have to deal with issues, let us not bicker on motions such as the two motions that are here, Motion Nos. 2 and 3, the money is not that great. It is to provide services and volunteers are very important.

The motion that is before us with Councillor Steek, is more complex. I'd like to see more details, details on this. I have a concern because the Riverbank Management Committee has worked very hard to try to restore the Alexander Docks and the monies that had been allocated for that and I thank once again Executive Policy Committee seeing to it and making sure the funding is provided. It's very important. We talk about historical value, we're talking about stabilization of our riverbanks and especially with the Dock and this is part of the plan that was put into place about two years ago.

The parking meters in the parks, the Mayor had alluded to said it was as stupid idea. Sometimes they're not stupid, sometimes those ideas get to be reality. When that was presented to us and I didn't even know it existed but it was in the report as part of a funding process that could be looked at. When the Administration is asked to find other sources of revenue even if it means putting parking meters at the parks, they have to address that and they give it to us.

It's up to us to make that decision and a decision has been made. That I don't think will be coming on stream for a long time.

When we talk about our responsibility, what gets me and we have dealt with this here in the Chambers so many times, so many years. At least I know for myself the years that I have been here. On and on year after year the Provincial Government refuses to listen to the citizens of Winnipeg, take us off the school taxes. Why are we responsible to collect the taxes on their behalf that we don't even know what their budget is, we don't even know what's allocated, what's being deleted or if the teachers are being laid off we have no say. But legislation tells it that we must collect the taxes. I asked each and every premier of the Province for a number of years now there's been quite a few of them. Please and especially those who sat in the Chambers in the '70s, went provincially and they had changed their tune altogether, they were ranting and raving, this is not right, the Province should take that responsibility, this in itself should be our taxes, our responsibility, school taxes, the trustees get elected the same as we

do and they have to respond to the taxes. They increase, Transcona I believe is around 13%. What is going on? Our taxes will be zero but school taxes, 13%.

What happens? When the tax bills are issued it is the City of Winnipeg. The final tally, the final figure that's there, people will be phoning us and raising hell with us and telling us, look what the hell is the matter with you jackasses.

(10:50)

You have presented the tax, I've got an increase of $60, $70 in the year, ours is nil. We've been trying to send that message time and time again but obviously the Provincial Government especially with the Premier they have blocked ears when it comes into the problems of the City of Winnipeg. They refuse to listen. Hypocrisy is playing such a big role in there they said look, we're going to do this. We have two-thirds of the Province population is in the City of Winnipeg. Thirty-one MLAs majority of the House in the Legislature are representing the citizens of Winnipeg. When we deal with issues that come before us, when funding is required to community centres, when funding is required to school programs, who gets hit with that, we do. I've always been saying, the responsibility lies also with the Province, the education system. The Federal Government where is their input? It's come to the point now that they are beginning to come around and say look, this is what we'll be doing, we'll be providing you with additional funding. Our funding per capita what we get our funding from the Province has been diminished to a point a lot less than what we used to get before. Transit, there use to be 50-50 but now it's not. The Provincial Government is getting away with this.

The one thing Mr. Speaker, the essential services that we have to provide to the citizens of Winnipeg our responsibility, our mandate is this is what we must do. To the best of our efforts. But how can you succeed when you have two sources of revenue that is your property taxes and your business taxes we get little nitpicking here and there as what we get additional revenue, we don't have any additional revenue. The Province refuses to give us that. I don't understand this. You go to other provinces, the Provincial Government in there will give the City the additional revenue, give them the authority to impose additional taxes such as gasoline tax or fuel tax. That would take us off, we wouldn't have to worry and scramble back and forth and say we don't have enough funding. The Province sits back and they'll say, well we can't, and I hope to hell they're listening to this. They'll say we can't do that because if we give you the legislation that means we have to find the additional funding to fill our pockets, our source of revenue. This is so unfair. Other municipalities such as Churchill, Thompson, Portage la Prairie, Brandon are getting the revenues different all together. We have two-thirds of the population.

Where is the fairness? I will be supporting this budget Mr. Mayor and Executive Policy Committee and all members of Council. I believe, like I said, this is a good budget, there's no question. Remember like I said before, some of us use to vote against the budget. I was one that did that. This past few years I have not done that. I intend to vote for this. I no doubt will be speaking again later on because we're a Committee of the Whole, so each one of us will have a lot of time.

Mr. Acting Deputy Speaker: Councillor Smith.

Councillor Smith: Mr. Speaker, I'm going to be speaking just on the two amendments regarding the Museums, I'll speak later on the budget as a whole.

I want to answer Councillor Lillian Thomas. She sounds like these museums are just suddenly springing up. It was a new problem. She's been on the Executive Policy Committee they've had this problem for years and years. Now we study it some more. This is a very small amount. I would support going ahead and passing it. Let's go ahead and be fair. There's lots of inequalities,

differences and so forth. This is not a new issue Councillor Thomas. We've had this for years and years and years, and suddenly you've found out that we have all these museums that need help, and now you propose a study so that you don't have to give anything this year. I just think this is very small amounts, $36,682, $6,800, I think it's small I think we should accept it.

Mr. Acting Deputy Speaker: Councillor Wyatt.

Councillor Wyatt: Actually I would just like to rise to thank Councillor Smith for those comments and to reiterate Mr. Speaker that this matter was not brought forward in any kind of ad hoc fashion. Museums are very unique and I support the Mayor in his imitative to look at the overall future for museums of the entire city because museums right now are unique, they're just kind of out there. They report ironically just to community committees, they don't really report to a department as such. They're a unique entity right now within our city it's one of I guess leftovers of the Unicity days when we kind of amalgamated as a city and we really never got around to dealing with museums and maybe this is the time to do it.

The Transcona Historical Museum and the Seven Oaks House Museum did not come forward in an ad hoc fashion, it was their board of directors who determined that these funds were necessary. These are the trustees, all volunteers who we trust these funds to manage and they've done so extremely well over the years, and they've determined that this is necessary. This is not coming from an individual councillor or councillors, this is coming from the boards themselves.

As I mentioned before, the Transcona Historical Museum has never before come before this Council requesting something like this, this is a unique situation.

Just to read from their direct report that they compiled for the Executive Policy Committee. In the past eight years contacts with the Museum have jumped from 3,000 to 7,000 annually. That if their funding is not supplied the current 2003 budget and staffing levels in the Museum will be required to at the existing levels cut services provided to local schools, service and community organizations.

Eliminate or reduce levels of participation and special events such as Manitoba Day Celebrations, the Transcona Hi Neighbourhood Festival, discontinue the annual Transcona Treasure Hunt and suspend annual volunteer appreciation events. As well as they'll have to look at reducing museum galleries that the hours that the Museum galleries are open to the public.

Without the funding the services will need to be drastically reduced to prevent excessive overtime accumulation, and to provide for benefits such as vacation and sick leave entitled to the Museum Curator The City of Winnipeg CUPE Local 500 employee.

I really believe Mr. Speaker that this request is very minimal, it's reasonable. As I said Mr. Speaker, the overall need to have an initiative to look at all the museums that the Mayor has raised at the last Executive Policy Committee I welcome that. I think we can still go ahead with that and I don't think by approving these small amounts today we would in any way hinder that Mr. Speaker. We have to move forward on the Museum issue there's no doubt about it city-wide. But I do encourage this Council to support this. I think it's reasonable.

Again this is not coming from individual councillors, this is coming from the trustees, the board of directors who are volunteering. We have over 50 volunteers at the Transcona Historical Museum, all of them putting hours and hours of work into the Museum at their own time. If it wasn't for that a lot of our heritage would not be preserved. Thank you Mr. Speaker.

(11:00)

Mr. Acting Deputy Speaker: Councillor Angus.

Councillor Angus: Thank you Mr. Speaker. I appreciate the opportunity to go into the Committee of the Whole because it means that you can as a Council zero in on a particular topic and address it. I thought I would take this opportunity to take a step back and look at the broader picture of the budget. We tend to miss that as we reduce ourselves to sort of a common lowest nitpicking denominator as to why this fire hydrant is red and that bus is yellow and I should have a park and you shouldn't have a park and that sort of stuff.

This is a very good budget people, it's a really good budget. When you stop and think about it, I'm not sure what everybody ran on. I ran on public safety. I see that this budget is including more than $20 million in the Winnipeg Police Services and Fire/Paramedics. That's a hell of a whack of money. It's a hell of a whack of money. It's 21 new policemen, eight new fire fighters, two new ambulances. I also ran on helping the arts. We're putting in another $800,000. More than three million dollars now into the arts in various areas.

The whole time we're doing this we're holding the line on tax increases, I think Bill said for the sixth year in a row. For the last three prior to this, we've reduced property taxes. You know what people, we protected the front line city services with no reductions in services for transit, libraries, recreation programming or pools.

I recognize the difficulties some members will have in relation to particular requests that come to them from their community. We all have them, we all have to deal with them. We all try to deal in a fair handed manner on a city-wide issue basis.

I note that the previous speaker was looking for a rather modest sum of $6,000. I will bring to his attention that there are many times that benevolent corporations will make donations and fund specifically museums and perhaps Wyatt Insurance in Transcona would be more than interested in coming to the trough and helping this particular organization, they'd get a tax receipt and it would be a good public sponsor and a good corporate citizen. I see Councillor Steek shaking his head, he's going to suggest that we go to the Transcona School Board and get the money for the Museum because it's an educational piece I'm sure.

I just want to say and I'm not going to belabour the facts, I can get into the wayfinding information that I've circulated to all members of Council, and the reasons that I think they are important. I'll save that for when that particular debate comes up if it does come up, or in concluding remarks when we rise as a committee and report.

Also on the downtown initiative of making it a regional park and really addressing the needs, I'd be more than pleased to talk about that. I try to provide some answers to all members of Council as to what that money is for. I think these people are an investment in our future and that we should be looking at those types of investments to bring the City back up to be the type of city that we can be proud of, that we want to continue to be proud of, and that we want to show to tourists and to visitors alike that we are proud of it by putting a good face on the City of Winnipeg and particularly starting with the downtown and working, hopefully we can accomplish that.

Mr. Speaker I'm more than pleased to answer any specific questions that do come up on any areas that I can be of help. I don't want Council to lose sight of the fact that this is a very reasonable budget, well balanced, well thought out, well crafted to address the major issues in the first order that are facing the citizens of the City of Winnipeg. Thank you.

Mr. Acting Deputy Speaker: Councillor De Smedt.

Councillor De Smedt: Thank you Mr. Speaker.

There's a lot to say when you go into Committee of the Whole and I'll try and keep it reasonably short.

I'd like to thank the Mayor frankly for his passion for his city. I've said this before

publicly, and again he demonstrates that today. About some of the personal issues that he ran on and I don't think there's quarrel with that.

I do raise some concern about the fact that we had good intentions in raising this motion Councillor Steek and I. As my old Father Moriarity from my almamater in Montreal said, the road to hell is based on good intentions. I guess maybe we're on the way down this path, but I hope not Mayor Murray. We're not trying to make mischief.

I think there are a couple of high level principles that we're just trying to bring attention here. Just so that you understand it we weren't exactly cherry picking what items we should probably reduce from the contribution of our operating budget to capital. We heard last week that EPC had another $4.5 million to deal with and that it was appropriate that they identify those items to cover that off and that everybody would be of course on board. I'm not necessarily against all those issues but it's really a matter of priority.

Referring back to what the Chairman of Fiscal Issues had mentioned that you know we've had three years of tax cuts, two years of holding the line including '98 and including this budget and we've done well. Every other city probably in Canada or maybe North America hasn't done as well but you know every other city in Canada, North America didn't start out where the heck we were at because people were very angry back in '98, a billion dollar debt. There's some good reasons and I think there was some strange reasons why we got there frankly over the last 25 years.

I'm coming from the school in which a lot of my constituents have said not only in my riding but a lot of your constituents that I know throughout the City, that we had to get control of our fiscal house, and we did. It doesn't mean we stop. I was on the page for both campaigns to say that, we'll hold the line on taxes but if there's an opportunity for a tax cut we'll take it.

Here's the problem with this budget and it is a good budget, I agree with the words that had been said. But it can be better and the reason it can be better is that we ought to give the money back to the citizens, it's the people who are paying the bills when there's an opportunity to do so. You have that opportunity today. You don't have to spend all that money just because you've got it. I will take a side handed swipe with our friends in Ottawa, that's what they do, they end up with billions of dollars that they underestimate every year and they spend it. I don't think we should be on that page, and we've done this every year at this Council at the end of every year we have additional appropriations and we put it into the succeeding budgets because we've underestimated. Now that's a good strategy. But you know when we have an estimate at the beginning of our year that we're going to be over, a reasonable budget at $677 million that EPC and through the Mayor and through seminars it presented to us we should hold the line on that. If we have some extra money over the course of the year and we can see that our revenue lines are going up as they always have been for the last four years that I've been here and then we appropriate that out. So it's about a matter of priorities.

The second principle of course is the one, again it's not a side swipe at my colleagues and EPC and the Mayor, is one of inclusion and process. I know I've been chided from time to time to stay on the issue never mind about process, but it is a significant issue. Several of us have been asking since day one coming back here after re-election in November of last year, that we start the budget process early and get into the inclusionary understanding of bringing the other councillors who may have priorities, concerns, wanting to play a part to be inclusive in this process. This should not be a Council of left or right or centre, or those who are on EPC or not on EPC.

(11:08)

We are trying to share thoughts back and forth about where we would like our city to go.

I am very critical that we thought we were going to get there, we had several seminars organized in a couple of cases a little too quickly because people had made commitments, for example, I could not attend the seminar we had in which Public Works items were being discussed and Fiscal Issues were being discussed, I believe that was Monday the 3rd of February if I have the date correctly. Regrettably the seminar was terminated early at noon and it was sledged for the whole day and some of us showed up and of course it was over and done with. I think some of these issues might have been addressed in terms of well we expect to have more money, this is just a preliminary draft, it's $677 million and let's go through the issues.

The point I'm getting at is if we had a little bit more time together, if we've done this earlier on we could have had a complete understanding of the relationship of the capital budget because this operating budget has introduced that by trying to have an extra transfer over of some $4.511 million into the capital budget. I can't exclude myself from the discussion today from what is in capital.

It was useful to go back through the capital document and try and identify those items that perhaps in a sense of priority could be deferred a year or deferred until we could see what the revenue lines are further in the year while still meeting everybody else's ambition. We didn't take all $4.511 million out as a proposal in the motion, we took out essentially some of those items that could be put on hold and eventually reintroduce them.

This isn't about a $52 million safety budget, the fact of the matter is most of the money that goes into the Police Department was statutory increases. Unless you were prepared to have a fight with the Association, the Union and not pay for salaries and benefits. So most of it was statutory. I have no heartache in standing up on behalf of the Winnipeg Police Service and the Fire and Paramedic Service and say it's a core service of the City and we ought to be funding that. I continue to say, while maybe we had $52 million more for safety and paramedics and fire, I still only have three police cars in our district. Nothing has changed over the four years, still there. I know we can't have a police car on every corner, a policeman on every street corner downtown but by the same token we have some deficiencies.

We were chided when we started the seminar process to hold the line, be fiscally prudent, that's what we all agreed on in the previous term and we should carry on the plan. I agree. Some of us had some interest in perhaps getting more money for fire, police service, beautification of the City. The standard and the model that I am suggesting that we try and get some evidence from the Public Works Department, Community Services Department has used 1999 as a reference. The Pan Am Game year in which the City was wonderfully supported. Let's use that as a model. Tell me what the service cuts really are. I haven't got that information. There are service cuts. We know they've been service cuts since '91, '92, '93, but we had to get our fiscal house in order, I agree with that. So having been chided and saying look, hold the line, here's the budget, $677 million, do it. I'm saying, yeah we'll do it. We'll do it for about $679 million, $680 million. Reduce these items and give the taxpayers back rightfully what is theirs, they're supporting the City. A modest tax decrease not quite one percent. I'm sure if we could fine tune it we could get there.

I'm not trying to make mischief. We have enough money to run the City, don't take more. Then when we start talking '04, '05, '06 both operating and capital, I think we should have a very heartfelt discussion about where we want to go. How do we address the matter of service cuts. How do we get Assiniboine Park looking like it did in 1999, that takes $75,000 more right out of the departments, evidence of what it needs to support that. How do I get street

sweeping up to the level that we want? How do we trim the trees? It makes the City look good. I agree with the downtown premise and I can come back to that in further discussion later. But when we said we would be on board on a lot of these issues Mayor Murray, it wasn't for all of the downtown when I was talking about beautification, it was for the whole city.

Almost on the road to hell here but not quite. We're not making mischief but I think we have an opportunity to deliver to the citizens a very slight tax decrease which I think they deserve. It's their money, it isn't ours, take this opportunity. Thank you.

Mr. Acting Deputy Speaker: Councillor Steek.

Councillor Steek: Thank you Mr. Speaker. I wanted to address just one of the items that the Mayor spoke on. I certainly respect the Mayor's reference to the fact that he ran on items on the last election. Many of us did and I'm sure that will be referenced in the course of the debate.

What I still haven't had answered the question whether it be from the Mayor, Councillor Vandal, I'm just a little unclear when I look at the document that's in front of us dated the 19th of March, today's date from EPC and I take a look at the additional items that have been included on the $4.5 million into capital. That's on page 1001. I see no reference here anywhere to $675,000 for streetscaping lighting. I have a document from Mr. Lussier that I assume went to all of Council on the 14th of March talking about the inclusion of this money.

My question is this, based on the discussion from the Mayor I assume it's in this document. My question is, is it strictly an oversight here? If it is, I'm not suggesting something nefarious but it seems a fairly large amount of money not to be in this document.

Why is this important? Well because of the fact that the Mayor has referenced the fact that Councillor Vandal has come forward and pleaded a good case for this additional funding and "good on him". Well if this additional funding came forward and the rest of Council was aware of it, they may have wanted to come forward at EPC and argue cases as well. For instance, the greenspace in River Heights which we could have bought two or three times over the last two, three years for the same amount of money. We're having trouble just getting it out of P&D.

I'd like to hear from somebody how that evolved. What was the timeframe on it, how does it march on to EPC, and how does it walk onto the floor of Council here when there's no reference to it anywhere? That's number one.

Number two, I'd like to pick up on the two motions that were brought forward relative to museums. Those are Motions 2 and 3.

Why should they be supported? Well if you take a look at the document in front of you on pages 04 and 05, you will see $600 in fees which were going to be collected have been put aside. Sadly decision. Certainly there's the revenue in it. However I would draw your attention to the phraseology. I think the phraseology is interesting.

(11:16)

Page 05, as follows: "That the Administration provide options for the offsetting reductions in revenue". They've been asked to find $600,000 that supposedly was coming from enhanced fees. No argument with that, it was the right decision.

My question is simply this. When people come forward for paltry amounts on museums, we're told that there has to be a study. Why would there have to be a study over two modest motions brought forward in good faith? These motions should be passed and the phraseology should be identical to this document. Maybe the fact that the Administration will

find the offsetting sources. We all know that that can be done.

Councillor Wyatt has referenced the fact that these museums are part and parcel of the heritage of the City and you're right. There's enhanced funding in here for the arts in whatever form and however you want to articulate that. These are modest requests brought forward in good faith from community groups, and they're going to be sent off to the black hole of a study. I'm going to be supporting Motions 2 and 3. This should come forward.

I'll certainly be interested in hearing as I say, maybe I'm reading this document wrong. Maybe this $675,000 is in here in the clause that's sitting in front of us, but I don't see it. So I'd like some explanation a) as to what it's for, how it came forward, and is it indeed part of the capital, indeed part of the current? Thank you.

Mr. Acting Deputy Speaker: Councillor Thomas.

Deputy Mayor Thomas: Thank you. We have a really good budget here. There are no tax increases, front line services are protected, our emergency services are enhanced, infrastructure maintenance is increased, and that's why I'm so disappointed to see Motion No. 1 here.

I'm concerned about the last minute decision to remove certain items from the budget. We made commitments to others. Whether it be the arts community or the Downtown BIZ. We have passed motions on the Council floor and I believe we must follow through.

When commitments have been made on one year and plans established, if a decision is made to remove these items, the community is let down and will become cynical and rightfully so.

When you make improvements to the downtown, ongoing maintenance must be included. I think I've covered everything that Motion No. 1 thinks about taking out of the budget. Thus I will not be supporting Motion No. 1.

I also want to reflect on Motion No. 2 and Motion No. 3 again, because I think it's important that we look at the contents of the situation. No one ever said that in the end the money would not be there. I certainly did not say that. I really think it's important to look at these items in context. When you look at the various museums across the City and yes some of them like the St. Boniface Museum have an international reputation. Some of them like the Transcona Museum has a national reputation. Those are the museums that I am most familiar with. But there are other museums here. There are museums that I am not familiar with at all, at the Seven Oaks Museum. I have to ask myself, is the amount of the increase that is proposed for the Transcona Museum fair in the context that that is higher than the whole budget that we give to the Seven Oaks Museum. And we may decide that. In the end we may decide that both the Seven Oaks Museum it's fair that they get this amount of money and should be increased by $6,000, and it's fair that the Transcona Museum gets this amount of money and should be increased by $36,000, but we have a lot of museums out there. I do not want to see ten motions coming on ten different museums all asking for increases, all being told, it's a little amount of money, all at the last minute, all without the consultation, all without the background.

I really feel that if we take the time to look at this that we can come back with a good plan. I think that's why we have the Administration, that we can say to them, can you please look at these items for us and tell us why we're funding this at this level, and why we're funding this at that level, and then we can make a political decision based on the facts. That's all that I think that Executive Policy Committee was asking for when they asked it to go to the Administration and they asked for a report. No one was saying don't do it. No one wanted to ad hoc the situation based on who came and asked rather than in the context of what the Museum does for our community and does for our society. That's all that I think we're asking for is to look at it and

bring back a fair report. Who knows, it may be that someone is going to get more than $36,000 based on the judgement and the recommendations of the Administration. Let's not prejudge the report before we receive it. Thank you.

Mr. Acting Deputy Speaker: Councillor Vandal.

Councillor Vandal: Thank you Mr. Speaker.

First of all I want to say I think this is a fantastic budget. I want to thank and tip my hat to the Chairperson of Fiscal Issues, Councillor Bill Clement for the work that he's put to deliver this budget that we're discussing here this morning.

I'm supporting it because basically this budget delivers and it balances the fine line between affordability. Once again we are not raising property or business taxes. Councillor Clement and Mayor Murray have spoken before me about how difficult that is, I believe there was three straight years of reductions. There were three of the last six years of holding the line, and throughout all of those six years we have eaten inflation. So if you'd go six by two you're looking at 12% of inflation that has not been passed on to the people who pay the taxes, and that is very very impressive.

On the other side of the ledger, this is a budget that delivers all sorts of valued services which the people we represent value, and if they don't receive those services they call us and they let us know.

Let me start with the Department of Planning, Property and Development that I Chair.

This operating budget that we have in front of us has a little bit more than $2 million in the 2003 budget than it did have in the 2002. $2 million. That actually translates to about 11 new positions that we're going to have in 2003 that we did not have in 2002.

Let me read them off. We are going to have one senior planner in transportation in the Planning Department. Another planner for neighbourhoods. A third planner for the downtown. We are going to have a chief mechanical inspector. A chief electrical inspector.

(11:25)

A zoning field officer which will be made into a senior position to review all the old by-laws that have not been reviewed in about 15 to 20 years. In addition to that we have a senior manager of operations which will be there to look at all the, to help our director and to try and expedite the whole decision-making process, the report writing process. This is a department that writes an enormous amount of reports and a whole bunch of different fields. We now have a new position called the senior manager of operations to help the Director.

We also have two new supervisory positions in real estate. And we all know about the difficulties that the Real Estate Department has had in the last six years in trying to meet the demands for their services. We have two new senior positions in that department that are going to help churn out those reports to deliver the goods that we're all in demand for from that department.

Suffice it to say in the Planning, Property and Development Department, the additions in this 2003 budget will ensure that it's in the best shape that it's been in the last decade. That's something I'm proud of in this budget.

Police Services, we've added another $14.5 million for Police Services over and above the 2002 budget. Looking at the numbers now that brings the grand total for police, $138 million.

Fire/Paramedic Services, another $5.7 million in '03 over '02 to bring the grand total to $98.8 million. I know that in '98 I was Chair of Protection and Community Services and I see Alex Forrest up there and I remember some of the battles that took place on the floor of this Council relative to the issues of fire, the arson issues we had. The paramedic issues,

we were running out of paramedics back in '98 and '99, those are issues that have all been dealt with. I'm not even talking about the police issues with the 911 incidents and the incident of not having enough officers for response times. Those are issues that have largely gone away through this budget.

Community Services, almost $80 million for 70 plus community clubs, 28 libraries, 10 outdoor pools, a half dozen or 8 major facilities such as the Pan Am Pool, the Sargent Park Pool, recreational centres. We have free swimming programs at Sargent Park and the other pool, whose name I can't remember in the North End that are offered every weekend as part of our Building Safer Communities Initiative.

Funding to the arts. I believe we all got elected for more funding to the arts and I see a lot of friends of the arts in the audience this morning. I'm proud to say there's over a million dollars of new funding in the arts. Half a million dollars for Winnipeg Arts Council. $200,000 for downtown festivals. $100,000 for arts city. $200,000 for the Symphony. And another half million dollars which is being transferred over to the capital to discuss a public arts strategy. All the additions I just mentioned, every single addition I just mentioned is going to be delivered without raising property taxes, and that I dare say is very very impressive.

Councillor Steek asked a question about the streetscaping lighting. As I understand it if you look at one of the chief recommendations on the report that we have in front of us this morning, the recommendation is that $4.5 million be our contribution to capital. That is the issue that we're voting on this morning, the $4.5 million be delivered to capital. Dan Lussier has circulated the projects that are within that $4.5 million, those are recommendations from the Executive Committee and those are issues that are going to be discussed during the capital deliberations. It may be that a couple of them get voted out. It may be that the street lighting issue gets voted out. In briefly explaining that following up on the Mayor, there's a huge issue that's out there that's connected to our transfer of Winnipeg Hydro, our selling Winnipeg Hydro to Manitoba Hydro. And the issue is, who pays for the ornamental street lights once they need to be replaced. There's a negotiation ongoing through Jim Thomson's Office with Manitoba Hydro about that very issue. The facts are that the street lamps in St. Boniface have been removed by Manitoba Hydro.

We've paid for street lamps on Waterfront Drive. We paid for street lamps at the Forks. I think we're all going to look a little silly if we open the Provencher Bridge in 10 months and all the ornamental lights are gone from St. Boniface. There's a little contingency here. The negotiations are ongoing. I hope at the end of the day we're going to arrive at a solution that's cost shared by both parties, and actually develop a policy on how we handle these once we need to replace ornamental lights all over the City.

Mr. Speaker this is a first class budget. I believe there's a lot of work that's gone into it. Is it perfect? Absolutely not. Is it very good? It is very good. I intend to support it. Thank you.

Mr. Acting Deputy Speaker: Councillor Gerbasi.

Councillor Gerbasi: Thank you Mr. Speaker.

I think it's interesting this morning that we only had one delegation here and they were in support of this budget. I think that's something we should notice because I think a lot of people are very happy with this budget today. If they weren't I'm sure they'd be telling us that as they often do.

This is definitely a safety budget. I find it hard to believe that there's anyone trying to pretend it isn't with the amount of money that we're spending here on this. We're increasing the Police complement permanently by 21 police officers. I don't know how more clear that can be.

We're adding more fire fighters, two ambulances and Building Safer

Communities Program and many other safety efforts. I think it's obvious that we're doing those things, it's there, and I don't know how anybody can be questioning that. It's obviously a priority.

I went on a ride-along a while ago in District 11 and they were very happy to be having another police car in the downtown which requires 18 new officers.

This is a fiscally responsible budget in the sense that we're holding the line on taxes, we've got a better credit rating then ever, and it's relatively painless. I don't see any service cuts, I think we've had a tight number of years trying to get our fiscal house in order, but we've also tried to maintain the basic services and that's what this budget does.

Everyone's mentioned it but I'm going to mention it to. We're finally doing something for the arts in a very exciting way on a number of fronts and it's about time. It's about time we're doing something on public art. I'm surprised anybody would be sort of speaking against that as it's a council approved policy and something very exciting that we need to do.

The arts is not really just a quality of life issue it's an economic development issue. It's making our city a place we actually want to live in that's interesting. I don't think if every pothole was fixed and we lived in this perfect concrete jungle with wonderful roads and we had no culture, I don't think this would be a place many people would want to live. I think we have to balance those things and I think we're doing that.

One of the things that I'm really pleased about too is to see the progressive moves to actually put some funding into accessibility again. I'm very proud of the accomplishments of this council. One of my missions when I came to Council was that we were going to have an accessible council building. We're going to have some action on accessibility. It was something the community out there has been very very frustrated about in the past.

(11:33)

I think they're not just frustrated they're pretty impressed with what we've been doing. There's a city-wide accessibility program in this budget for the next three years to deal with problems and we've had no funding to deal with ongoing problems. As well as funding for a Universal Design Coordinator. This is significant change. We're taking the lead on this issue as a city and I'm very proud of that. I think that needs to be mentioned.

The other thing that was mentioned here was the process of this budget. I seem to recall we had four all day council sessions that councillors basically lost interest in discussing the budget anymore and sort of petered out because we discussed it to death and the issues had been raised. Yet we still hear complaints about process and lack of consultation. We had standing committee meetings and motions were raised, and $3 million was added in. The same councillors that want to cut taxes today in their motion wanted to add in millions and millions of dollars. We did actually listen and added many of the things in from Public Works or some of them that made a lot of sense. Some of those things were certainly considered. But the point is, that the process was actually fairly good. I mean you can only consult so much and I think we had a very open process compared to any other level of government we have a much more open process.

This particular process there was hours and hours of time to discuss all these issues and yet people are still complaining about it. I guess process is a way to save, you just don't want to be supportive and you just don't want to play along it's a way to say that you know I like what you're doing but I don't like how you're doing it. Okay, but this is a damn good budget so what's you're problem with it.

In terms of the motion that we don't do all these initiatives that reflect Plan Winnipeg's focus on downtown and downtown first and some of these even

being council approved initiatives, I'm sorry I think we do have to focus on our priorities one of which is the downtown. That doesn't mean we're certainly not ignoring the rest of the City, we're talking about the Kenaston Underpass and all sorts of suburban projects are getting lots of big bucks and I think we're trying to balance all those concerns, but it is very clear in Plan Winnipeg that Downtown First is a priority and we can't just peter out on our amazing success in the downtown with CentreVenture and all the things we've done, we have to keep it going. I'm proud of what we're doing in the downtown. Some of these initiatives are things that people were saying we needed and then when we bring them forward for example the better downtown maintenance we get complaints about that.

It's hard to win when people want to be unhappy about something. I think if they really look at what's in here which they have and be honest about it, this is a darn good budget, and I'm very proud to support it today. Thank you.

Mr. Acting Deputy Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you Mr. Speaker. I rise today in support of this budget. I think a lot of the challenges the City faces are great and there's no doubt there is always demands from all sides and all angles when it comes to what our spending should be and where it should be.

What I found very useful during the process is I did not hesitate to make submissions as many of the councillors know from their standing committees to the standing committees they heard beyond it, I greatly appreciate that. I'd like to commend the Mayor for bringing forward what I feel is a fairly balanced budget between the various demands and the demands coming from all sides.

I wanted to also say that I remember the days when this council used to, I wasn't a member of course the Council I believe my father was, when they use to pass double digit tax increases and back in those days when taxes shot up. I would like to thank the Chair of Fiscal Issues, Councillor Clement for the leadership he's shown on the fact that we now as he's correctly points out, six budgets in a row of balanced budgets which I don't know has been done in any other major city in Canada, nevertheless North America. It's something which we as a city should be proud of knowing that Winnipeg is not exactly a fast growth hugely prospering city as maybe some other cities might be although we would like it to be some day, but I think this Council has shown the kind of discipline necessary to do that. I think we've now because of the fact that we've managed to balance the budget six times in a row we now have the ability to look at things that I think Mr. Angus, President of the Chamber of Commerce came here and spoke about which is phasing out business tax. I think we're now in a better position to discuss that more than ever. I look forward to the three year budget deliberations coming up.

I'd also like to make a note that one of the reasons I feel strongly why though they were a surprise in many ways when they came out of the increase in spending, came out of EPC the other day. I was very happy to see out of that $7.3 million mind you $1.4 million is dedicated by the Province so we're looking at a balance of $5.9 million of what we can discretionarily spend. That $4.5 million was earmarked towards capital spending. Everyone here knows my feelings on that, the importance of supporting our capital budget. I want to applaud Councillor Angus the Chairman of Public Works for the work that he's done on the capital budget. I think he is a true advocate of the capital budget and our public works program. I think that we definitely need to do more to put more funds into the public works program of the City, $4.5 million now of tax supported should be remembered that the $4.5 million tax supported is spending into the capital budget will not just be there for this year but in future years, and it will be $4.5 million, $4.5 million, $4.5 million. So as we spend on these projects other projects will be freed up Mr. Speaker which will

allow us to spend this money in other areas including residential streets. Including baseball complexes, thank you Your Worship and other parts of the City that we definitely need resources in.

I also want to make note and thank the Chairman of my standing committee, Councillor Gerbasi for ensuring that her committee that the necessary services that we take so dear in the City and that sometimes we take for granted were not cut, they were actually enhanced. The fire and police services are crucial to our city. I had the opportunity Mr. Speaker not too long ago to go on a ride-along with the Fire Department and another day a ride-along with the Police Department. I found both very interesting and fascinating. What it showed me is that these individuals are extremely committed to their job, they work extremely hard. If you could imagine in our lifetime we may go through one or two adrenaline rushes maybe every few years, these individuals depending on what you do in your hobbies as well, but if you're not into skydiving or anything like that, then one or two in a few years is probably good. These individuals go through probably about five or six or seven adrenaline rushes every day. Whenever they get a call to go somewhere they're pumped and they're ready to go.

Police Service the same thing Mr. Speaker, I saw first hand what the Police Service does, unfortunately and the issues they have to address and face on a daily basis. When I was on a ride-along with them right on a Friday night, Saturday morning, riding along 2:30 in the morning in some parts of the City and seen things that human beings should not see. That's what our police service sees everyday, day in and day out unfortunately.

This budget does a lot, and the Chief has indicated to us that at this point he would not be able to handle anymore dollars for police recruitment.

(11:40)

Clearly we've gone to the wall when it comes to what we can do today for the Police Services, and I hope that we can continue this into the future.

I would like to say also and thank the Chair of the Standing Committees since I'm going around the table here, Councillor Vandal the Property and Development. The other day he quite rightly in his committee set aside funds earmarked for the four district model and put that aside in a contingency fund so that we can deal with that, make that a political decision when that day comes. I still have grave reservations when that matter still comes forward, when it comes to going a four district model my comments are on the record and I still stand by those concerns, and I will talk further to that Mr. Speaker when that time comes.

However I'd like to say that I think this budget, I've been an active part of the process, I think that whenever it comes to our council duties you put in what you get out and you get in what you put out and I've been very active in contributing to the process, I've said a lot of things, I've spoken up. I know sometimes they're appreciated and sometimes they're not but I always speak from a matter of conscience and I guess I'm speaking from a matter of conscience today. I know that budgets are extremely difficult to hammer out and put together, and I think that the Executive Policy Committee has done their best. They have incorporated a lot of the concerns that have been raised, and they have addressed a lot of those concerns such as when it comes to the $400,000 for sidewalk renewal that we see are back in the budget. I think based on the commitment now been brought forward by the Provincial Government we could be well on our way Mr. Speaker to making this City a mosquito free city hopefully this year.

We definitely have a big issue coming forward and that's West Nile Virus that I don't think we should underestimate and clearly this council isn't.

I rise today in support of the budget, I encourage my fellow councillors to do the same. I agree there are other issues that

have not been addressed here such as the trimming of trees and the ongoing infrastructure challenges that we're facing. But I think there is a recognition now by this Council that these issues are not going to go away, that they have to be addressed. Indeed it's because of certain councillors raising these issues that we are coming to terms with them and I congratulate those councillors here today who've raised those issues in the past and have had the courage to speak up.

We still have a long way to go. We have to ensure that this city is a prosperous city Mr. Speaker. My challenge I feel as a councillor is to ensure that no more of my friends leave this city as has been the case so far. We have to attract people coming back to Winnipeg. We have to as a city set the example when it comes to doing that. As far as I'm concerned we have to do so by making the City an attractive city.

The challenges we face when it comes to our downtown, I've often said that maybe we put too much emphasis on downtown. There's no doubt there's a balance between the suburbs and the downtown. I know as a fact when guests come to the city of mine and I show them around the City Mr. Speaker, that quite often I take them around the community I live in such as the Transcona Historical Museum but also I take them to other parts of the City such as the Forks and other parts of the City, and I know as a fact Mr. Speaker that the downtown area, a city can often live or die based on the importance of downtown. It's one of the reasons I'm a member of the Convention Centre Board, it's one of the reasons why I support the future expansion of the Convention Centre. I believe that hotel tax earmarked towards to the Conventions Centre is crucial to ensure that the expansion of the Convention Centre happens. I'm hopeful that in the near future that we can bring forward a convention centre that not only has Mr. Speaker larger accommodation but we could do some creative things such as indoor waterslide and amusement park through a hotel tax that would be earmarked directly towards the Convention Centre, not cost the taxpayers one penny and do a heck of a lot to revitalize downtown Winnipeg. This is a vision that I think that would be really positive extremely positive for Winnipeg, and something that I would foresee. I encourage councillors to support this budget. I encourage councillors to support the motion on the Museums. It's not a lot of money and that's the only thing I can see missing in this budget today. Thank you.

Mr. Acting Deputy Speaker: Councillor Clement.

Councillor Clement: Thank you. This time I want to speak about three specific issues Mr. Speaker. I want to touch on the lighting, Councillor Steek has raised it. Councillor Vandal did explain some of it, and I can't recall whether Garth was here for all of it or not he might have been because I know he was in and out like all of us are from time to time.

The reason that it was put forward in the fashion that it was in isolation of this other document that you received on Friday is because the capital budget is being dealt with next week. On Monday is the day for delegations to the capital. I guess in fairness to that process now that you've got that $4.5 million page, if you want to review the capital budget all weekend and move something around I guess at least you have that ability. The reason why it wasn't dealt with here is that this simply is an amount that's a straight transfer from current to capital. Obviously we have a list because we've shared it. That list could change, some of it could be contingency, some of it we may not do. Bottom line is that you have to have the money to be able to have the discussion. All that does is free up the ability to have those important discussions next week. That's really all there is on that.

In terms of the lighting, the lighting issue we haven't known about for a long time. The lighting issue and it's like many other documents, I can tell you there's been one or two things that have fallen out of the True North thing. Did somebody maliciously leave something out? No. Did we not ask all the questions that we

thought were appropriate at the time? Absolutely. Sometimes things get missed. Yeah they do. When the Hydro deal was done last year I think you might recall that that document was fairly thick when we dealt with it. I think on balance that our people did the due diligence that was required. I know the Province was doing the same thing. There are people on the other side of the table at these things.

Anyway, in the end all that simply happened was I know that Councillor Vandal got a phone call one day not too very long ago and you know they're taking down lamp posts. What's going on? He didn't know because nobody had told him. When we pursued it we actually found out that Public Works had authorized an expenditure to Manitoba Hydro to do just that. But they didn't do it after they talked to anybody they just did it because they thought it was their job. Line them up and shoot them, I don't think so. They thought they were doing the right thing.

The bottom line is, is that we have got ornamental lighting on Provencher and Tache. We have it in other places too. The fact is, is that whoever ordered that ornamental lighting 15 or 16 years ago didn't order very good quality stuff because it's falling apart. The lights aren't working and they're dangerous in some cases so they're shutting them off. But they still have to have lights. In the short term there are some ordinary lights going up. But that's not what the BIZ groups in there helped to fund and those kinds of things.

(11:50)

You have to try and deal with it. The fact is, is that we've been trying to negotiate with Hydro, and still are on the issue, but it's something that kind of fell out. While we were under the impression that they were providing the lights, it's turned out that they don't.

There's a cost and the cost frankly is $900,000 not $675,000, but there's another $225,000 in another pot of money that I'm told that the Provincial Government is agreeing to go 50-50 on, that's kind of in the same kind of area, and so that's one of these things you get caught with from time to time.

That's what it is, it came late. The reality is, it's very very unlikely that we're not going to deal with it in a positive way in the near future, we're going to wind up finding some ornamental lighting somewhere that's going to be decent. We'll try and make it as uniform as we can throughout the City, and when we find out where it is and I believe they already have an idea where they can get it and what we should be buying, it's going to come forward but you have to have the money to buy it. The reality is this issue is a live breathing thing and we put it in so we had the money tucked away and it's that simple.

I can't think of anything else to tell you about it frankly, you know as much as I know about that one times at least 100%.

On the Museum issues Councillors, I want to say this to you. First of all I think it's a dangerous precedent to float motions on the floor and move money on the floor at the end of a process.

What we did do with those, I didn't take those presentations lightly. We had two presentations from two museums. Fact is we have several museums the rest of them didn't come. I'm told that there's similar issues with all of them. We don't have a very comprehensive package dealing with all those museums. We don't have anybody in charge of all of them if you like as an example, administratively or politically.

Instead of throwing money at them and I'll give you examples. The Transcona Museum and they were very nice people that came forward, they told us what their issue was. Their issue is that they're open six days a week and they have two staff. If one of them is sick or one of them wants to go for lunch or have to go to the dentist they don't have anybody to back them up except volunteers. The volunteers are getting older and somewhat burnt out. They'd like to have

another staff person. But they do get $106,000 a year.

When you go and you do one in isolation of all of the others you don't know what kind of a path you're going down. We didn't know that at the time. So it's not about whether you support it or whether you don't, I think that we all think that they're important and you have to deal with them the right way.

The other one although they're asking for a very very small amount of money, and by the way, they're open only three months of the year, the Seven Oaks Museum. The interesting thing is they've got quite a bit of money in the bank as a matter of fact, five months fine.

The fact is Mr. Speaker and I'll be real quick. They were having some kind of a financial problem they don't know where they got the money or what it's supposed to be used for. As a matter of fact they even shared with us, they sent $12,000 back to the Province, the Province hasn't cashed the cheque. They probably don't know what to do with it. They're here asking for $6,800 and they've got $70,000 in the bank, they just don't know why they've got it there.

What we did was real simple Mr. Speaker. We suggested that we look at museums this year and try to do that in a meaningful way before we do a three year current budget and look at all of them and try and come back with some kind of a meaningful conclusion to the whole works of them. That's what we thought was a fair minded thing to do based on how it came at us.

I would prefer not to move those numbers today. But I'll abide by whatever the majority want and we'll deal with it, that's all.

Mr. Acting Deputy Speaker: Councillor Smith.

Councillor Smith: Yes Mr. Speaker. First of all I'd like to deal with the, the Mayor had made a statement and continues making it over and over again about the City's front line essential services have been maintained. The fact is they've been maintained to the standard of last year. Last year there's been cuts. And you heard Councillor Vandal talk about inflation and the significance of that. So we've had cuts and cuts and cuts. Reduction in pleasure rinks from 132 in 1997, to 21 this winter. Last year 42 rinks cut to 21 rinks. Reduction in turf mowing cycles from 79 days to 10 - 12 days. Elimination of winter pathway cleaning from certain parks. Two of them are in my ward. Vimy Ridge Park and Central Park. These are parks that are in the central part of the City and people would like to go ahead and go through them during the wintertime as well as the summer.

Reduction in streetsweeping services. Beyond spring cleanup no plan residential sweeping program. Reduction in lane and intersection road marking programs. Reduction of library hours of operation in past decades. Youth facility maintenance repairs. Backlog.

Forestry Department. Basically we know we've talked about safety as one of our priorities. All we think of is adding new police officers and I support that. I support the increase for emergency services. But you know the neighbourhoods are darker. It invites crime. It's the older neighbourhoods that have the large trees. The cycle, we used to have a cycle of eight years. If a tree was pruned this year eight years from then it would be pruned again. Now it's 29 years. I don't know how many of you councillors get calls about damaged roofs. It's a serious problem.

I noticed Councillor De Smedt and Councillor Wyatt mentioned the fact of lack of tree services. In fact Councillor De Smedt mentioned, why don't we have the cuts that are going to take place in services.

By the way I noticed that Edmonton and Calgary when they discuss their budget, when they table their budget they also talk about what their cuts are. We don't. We let the public find out in the course of the year.

I don't think this is right. I don't like this budget for the fact that we're increasing the ambulance fees. We have an older population. Sure it's only five dollars but let me tell you this, when you talk to some of those people those senior citizens, they find it difficult and I don't think that we should be in effect taxing on health.

There are a lot of things wrong with this budget. But there's a lot of good things about the budget too.

The fact of increased arts funding. I really dislike Councillor Steek's amendment. Putting off and putting off is what we have traditionally done with the arts community over the last 12 years. I think it's important that this step is being taken. I think it's important that this budget has done for example cutting out with Councillor Steek's motion the laying over to the downtown regional parks and maintenance $500,000, it seems to me that deals with part of the problem that those two members on the Public Works Committee outlined with regard to curbs and so forth.

(11:58)

It starts in a small way in the downtown and this is a downtown emphasis and I support it wholeheartedly. This budget is not the greatest thing in the world but it certainly is a balanced budget and a reasonable budget at this time. I will support it.

Mr. Acting Deputy Speaker: Thank you Councillor.

With your concurrence Councillors I'm going to suggest we call it 12:00 o'clock, agreed. The hour being 12:00 o'clock and we will recess until 1:30 this afternoon.

Council recessed 12:00 noon

After recess

Councillor reconvened at 1:40 p.m.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Councillors it's 1:39 p.m., those who are not here be present. If not we'll continue.

The next to speak is Councillor Steeves.

Councillor Steeves: I rise in support of the budget. Given that this is Committee of the Whole and I regret to say I wasn't exactly sure what I meant when I voted for it but I'll think double time next time. I can assure you of that.

I rise in support of the budget as tabled before this Council Mr. Speaker. I want to thank Councillor Clement while he isn't with us at the present moment, I know I've worked with Councillor Clement, and Councillor Thomas going on a few months at the Fiscal Issues Committee. My impression is that things are running exceedingly well and that he's had a lot of assistance from administration working through this budget, I know we have several members from administration and I want to extend my thanks for a job very well done through a difficult process. It has been I think a difficult process complete with a lot of consultation, again Mr. Speaker, that bears mentioning. We shouldn't just gloss over that, we have spent a lot of time working as a Council. I think Councillor De Smedt deserves some accolades in that form in that he pushed that process and opened it up a little bit and we had a chance to sit down for what seemed like a very very long time frankly in some circles to come to some ideas as to what were the priorities. I'm pleased that we'll be holding the line on taxes that's very very important, and sends a very very important message.

One of the things that became exceedingly clear to me Mr. Speaker throughout the course of this current year budget estimate process was that, in the last year of a budget there's not a lot that can be done. I think it's to everyone's credit and everyone's anticipation we move into the three year budget process. I look forward to that and I think in speaking to some of the things that interest me and some of the things that are priorities to me on Council I can tell you the issue of sustainability and what it

means to our city and how we might incorporate that into the very important realm of the budget. It really wasn't addressed in the true sense throughout the course of the shorter one year budget cycle, which I guess is understandable given some of the constraints we had to work with.

I would like to serve notice and I hope that all of Council is prepared to work on the three year budget process and I anticipate everyone will be. To make this city a more creative and sustainable place to be.

I think the real task and I think the real object that we have to face throughout the course of this three year budget deliberation is, what exactly we want to see in terms of evolving as a city. I'm not going to trundle on about my vision of the City of Winnipeg now is not the place, but I will be trundling on I guess in the proper forum but we have to at all times remember Winnipeg is no longer a city that simply caters to a farming community like it was back in the 1900s. I think if we're going to attract industries such as software industries, composite industries, the Aerospace, keep them strong and a lot of these industries, we have to come to a realization at some point Mr. Speaker. These are the types of industries that now can locate in any place that they want to locate, and that sounds wordy and a little bit out there. The fact of the matter is, it is going to be incumbent upon us as leaders in this community to really address that issue as to how we are going to make Winnipeg a more desirable place to live. My contribution I hope to bring to the process is going to be the idea that sustainability as a city globally and overall is one of the things that people are going to be looking for. So I look forward to that consultation throughout the course of this year.

With respect to the motions as tendered. I've heard the arguments on both sides. I'm satisfied that the appropriate monies pursuant to Motion No. 1 meet with our anticipated direction of the City of Winnipeg. I have no concerns with the allocations. I appreciate the opposing views as raised in the motion by Councillor Steek and Councillor De Smedt, I will not be supporting that motion. Nor will I be supporting Motion Nos. 2 or 3, not because I think they're not worthy projects but the reasons for my not supporting those motions have been mentioned already by various speakers. This is in my opinion not the place to bring out this type of motion. I have precious little information on the Transcona Historical Museum. I have no information on the Seven Oaks Museum. With respect to the Transcona Museum I have heard some information in the past. I'm a little bit fuzzy as to what it was. I do know that we dealt with it at Fiscal Issues at one point. All I really have in front of me is this worded motion in what I believe is a Transcona font that has been put forward.

I'm not stating that it's not an important issue but I think Councillor Thomas and others have stated that there's probably a better method of dealing with this.

Again Mr. Speaker, in conclusion, I rise in support of the motion. I want to thank all of my Council colleagues for putting in requisite time to get through this very very busy process. I do look forward to an increased I guess attention to infrastructure and some specific projects.

One in particular that I think really needs doing over the course of the next little while, and this is a project that's been ignored by the City of Winnipeg and appears to be getting worse not better. I am of course talking about Councillor Smith's leg. I think it's time that we as a Council address this very important issue. Thank you.

Mr. Deputy Speaker: Thank you Councillor Steeves. Next is Councillor De Smedt.

Councillor De Smedt: Thank you Mr. Speaker. Let's cut to the chase. There always has to be those loyal on one side of the House and those loyal to another point of view on the other side. I will continue to maintain that I don't think the budget goes far enough. It's remarkable that everybody has stood up, or many

have stood up and said, oh we did have a wonderful consultation process, we got into seminars. But lo and behold last Wednesday miracle of miracles, another $4.155 million shows up, thanks very much, nobody else was aware of that.

We know there's always contingencies. We know there's growth and revenues unless we're really going down the dank economically. We've been on that model for the last several years. At the end of each year there's been money to expend we appropriate it and we put it into future budgets or cover off special events that have occurred. Really Motion No. 1 was designed to just point out the fact that we don't have to have an automatic approval to just shift over into capital some extra revenue because they've appeared miraculously at the last minute.

We did have a protocol. Many of those items that we've just highlighted for your attention. They didn't necessarily have to be those but I think I just made a suggestion to my colleague that we highlight a few that could be put on the backburner for a year and try not to live high on the hog, and that's what we tend to do. We lived high on the hog for many years past, and these are not my ideas, I'm respecting what many in my community are saying. That if we can, tighten your belt. Keep it as tight as you can. We don't want to get into a tax and spend model. I know I'm going to hear words that look it, we've had fiscal accountability, we've beaten inflation and look it's really a 12% to 15% abatement that we've done over the last several years, I know that. There's some areas in which we're hurting and I would have preferred and I think some might recall that we tried to argue for another two million dollars investment. I'm asking for a two million dollar adjustment here in this case.

There is a two million dollar investment going into the City. From the point we referred to at the $677 million budget.
(1:48)

But it isn't going where some of us might like to see. It's going where the sacred trust of a community of a committee of seven decide to provide leadership in that particular way. I'm saying not to castigate some of my colleagues, some very close colleagues both politically in other dimensions about this particular issue, but I am critical of the process, I always have been. We've had an opportunity from day one early last November to get together and start working in harmony. It was always at somebody else's timetable.

While I respect in part what the Charter says, that EPC has a responsibility before the budget, I think it ought to be done in concert with the other councillors that sit around this table.

I'm not going to be supporting the budget I can tell you that as a point of principle. We could have done better. I think a one percent tax cut would be very useful to the citizens of this city, hold the line, see what revenues come in during the course of the year and EPC come back and say look it, it's time to move forward on these projects. Come and talk to us about it. The Mayor can keep shaking his head and keep saying, gee this is not the kind of fiscal accountability that we need. I've had my own kind of ambitions that I've been out on the campaign trail for. Well that's fine, a lot of them I support. I'm saying in terms of process, in terms of the issue, that we could have done better in terms of incorporating the wishes, the impressions, the suggestions and try to get at really what's happened in terms of service cuts in this city so that the citizens really know.

Barring that, I thing they deserve to have a tax cut if there's going to be extra revenue.

I would argue very strongly that I think we should give the money back to where it belongs the people who contribute to the welfare and development of the City. And we are doing well. I guess we should always give credit where it's due, and EPC has provided the leadership and every other member of Council has provided a measure of leadership to improve our city over the last several years.

You know the people who have really been improving it, it's frankly the private sector. They've been coming on board. As Councillor Steeves has quite well pointed out what can come in easily can leave very easily. So it's about tax fairness. I mean both the Province, obviously the Federal authorities, the city a municipality must try and keep themselves very tight. What attracts business is a good fiscal climate, a good tax climate, and a good opportunity to grow. We have a lot of good things in this city. For me to stand up here and say, I'm arguing against the budget is not to castigate, to say that we've done a terrible job, that the City's a poor place to live, but I don't like water buses on the Red River and on the Assiniboine. I don't like bike paths, you know I like flowers because I want to have the Conservatory in Assiniboine Park and down Portage Avenue, on the image routes everywhere in the City to make it look good. It should be clean, we should be sweeping the streets more than once a year. Perhaps sometimes if there's enough money as the report had indicated we might do it in the fall. We might trim the trees if there's enough money. But we won't trim the trees this year.

I know these issues cost dollars. We have to try and budget for these things. We have to come to the same page to decide where it fits in. I can tell you having a quick indication of what those items that came forth last week at EPC and we had another $4.1 million just to laterally slip over into the capital, slick as a whistle, that's great. I really know what the issue is because I remember when we started to talk about that early in the year we didn't have enough money and as Councillor Clement had said for residential streets, but we had everything else in there but I'll find it. I'll find it Bill said. And he's absolutely right he did. Of course when he came to Public Works when the delegation were saying that we needed some more money for Councillor O'Shaughnessy's bus route, we'll cover that off. Another $700,000 for another issue, we'll cover that off. We already knew that we were growing the budget. We might not have known in fine detail but you know that's when we should have got together, it shouldn't have waited until the 12th of March. At the very last part of the meeting it unfolded itself. Oh, we have this $4.1 million and we'll cover it off against these items. There's a lot of other ways we could cover it off.

I'm saying, the capital budget and the operating budget in fact go in harmony there's no doubt about it.

It was rather interesting what I proposed last year was to simply say, let's come together early, let's follow the protocol like we've always done, it was tried and true, get the capital budget out of the way, understand the priorities, and then look at the operating, continue to reverse it. But it's not in my timetable. I have no control over that.

Is this a point of pick? Yes it is. I will not support the budget on that premise. It is a fair budget in many respects. However, there has to be some opposition. I think we could have given the folks about a one percent tax cut and then let the others things unfurl during the next three or four months. We won't be holding things up too long. You could have got it done anyway you do whenever you want, you seem to be able to bring in some contingency or reserve fund monies to cover important issues off. I'm always on that page when they're important.

It's a matter of doing what's important for the City, not what somebody thinks is urgent. In fact that's what the whole process has been about. Other people's urgencies rather than a collective Council decision, a Council view of how things should be proceeded with.

Yes, I'm sorry to say to the Mayor and my colleagues on EPC, I think there ought to be a broader inclusionary process. How you devise that for the future? I don't know, it's up to you. At one point in time when we want to seriously consider the Charter what amendments we should make to it. We've heard some various presentations around this Council table, the Calgary model where councillors are elected by themselves to be Chairs of

committee. We level the salary levels off, we get rid of that aura of that cabinet, the close cabinet government that we have now and try and have a more inclusionary process. I think it would be worthy of study. Stand by and find a way maybe to do that, but if there's no will of course I'm just whistling in the wind.

Not wanting to be accused like the Dixie Chicks were the other day of saying something wrong, I will just say, regrettably will not stand in support of this budget, I'll stand more on a point of principle. I would ask that if any others feel that way that you would do so.

Closing off in the last minute or so, I would have to say to my colleagues who want to get some quick money for museums that I'm not supportive of that at this point in time. There's a process. It was kind of nice to go to EPC to see if you can get some fast money but on the other hand we know there's a report being prepared, let's look at it in the full context of those particular other museums that are in the City and see how we would deal with it. Thank you.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Last speaker on my list is Councillor Eadie.

Councillor Eadie: Mr. Speaker I'm going to move that the Committee rise and report and we conclude the debate on the budget in regular session.

Mr. Deputy Speaker: You heard the motion. All in favour? Contrary? Carried.

(Councillor O'Shaughnessy in the Chair)

Mr. Speaker: Having reported and all members of Council have been given multiple opportunities to speak, is it your will that we deal with the amendments in closing in reverse order, or did you wish to start a full debate once again on the budget?

Councillor Angus: Mr. Speaker I'd like to move that Motions 2 and 3 be referred to Executive Policy Committee without instructions.

Mr. Speaker: Motion to refer without instructions. The movers, Councillors Lazarenko and Wyatt if they wish may take up to one minute to say why they should not be referred. It's your choice.

(1:55)

Councillor Lazarenko.

Councillor Lazarenko: Thank you Mr. Speaker. I want to thank Councillor Angus for doing that because that is exactly what I was going to do.

Mr. Speaker I know my motion would not pass, it may stand a better chance at EPC.

Mr. Speaker: Discretion being the better part of valour. Councillor Wyatt is that fine?

Moved by Councillor Angus that Motions 2 and 3 be referred to Executive Policy Committee without instructions, all in favour? Contrary? Carried.

On Motion No. 1, Councillor Steek closing debate.

Councillor Steek: Thank you Mr. Speaker. I don't intend to go through the specifics of this particular motion but I will speak to the clause.

It's been well articulated here that these are items that I believe are things that can be looked at in future current and capital.

However I do want to state this. For many of us around this table we ran on specific platforms. Certainly issues that were of critical concern to me are referenced in this particular motion.

I made it very clear in my attendances at EPC in the past that for me this was a safety budget. I recognize what has been done for all emergency services and I won't debate the strength of that.

However I have requested repetitively that there be recognition given to citizens city-wide who want to realize the opportunity for a home alarm system. A small amount of money was asked for $250,000 for a small project. I think it had an enormous amount of merit.

During the course of the election I was also very adamant about the fact that I believe that business tax had to be phased out in a graduated manner. Once again no reference in this budget to that. Absolutely critical for the City in the future. Councillor De Smedt has talked about the importance of business being the economic engine that drives the City. You not only have to have a tax climate that is hospitable, you must have a city that is truly open for business. Although there have been some strides made, it's still a difficult city to do business in.

I believe this, is that if we took the initiative to reduce business tax gradually phasing out of it over an extended period of time, nobody expects $62 million to be removed from the budget instantaneously. It would send out a very positive note to the business community as a whole.

With reference to safety again, I have been a strong supporter of a police commission, it's something that is long long overdue. My understanding is that we will see a report coming forward within the next 30 to 60 days. The police commission should be supported by this Council because of the fact there should not be political interference when it comes to the budgetary requirements of the Winnipeg Police Service.

Finally I want to speak to the issue of public works. Like many of my colleagues I also ran on heightened infrastructure and in improved maintenance. The $600,000 that's been referenced both at Public Works and at Protection. It was made abundantly clear by the Directors of both those departments that those were emergency funds only. They were not there for really enhanced maintenance but rather were there to direct emergencies that were coming forward.

Certainly as we go forward into the current for the next three years as well as the capital, I intend to lay emphasis in those areas.

I want to close Mr. Speaker by saying that I think that there has been significant progress made in this budget. I think the Mayor and the members of EPC have put forward what they saw clearly as priorities. They may not be my priorities and nevertheless, is a budget with a lot to recommend.

Having stated that though for the critical issues that I campaigned on were not addressed in this budget. They may well be in future current budgets and I intend to bring them to the floor. Knowing that though, in seeing what happened for something as straightforward as a $250,000 credit for something as laudable as home security systems, when we noted were 4,200 break-ins in this city in the year 2000 that only 110 occurred where there were hard wired alarm systems. The rationale for not doing it was "there are too many alarms". When we have a by-law that penalizes you for alarms. Furthermore there will be other alarms purchased by citizens of Winnipeg and there will be false alarms. But nevertheless it's one of the few things that you can give somebody to ensure safety within their neighbourhood and within their homes.

Mr. Speaker, thank you, I appreciate where this budget is going but like my colleague Councillor De Smedt I respectfully must tell you I will not be supporting it for those reasons. I look forward to the upcoming budgets for the next three years both current and capital. Thank you.

Mr. Speaker: Thank you. I will call the question on the amendment four and then Councillor Clement will get to close. Councillor Steek must be the last speaker to his amendment. I will call the question on Motion No. 1. All in favour? Contrary? Motion is defeated.

It has been a practice around here even after the vote to allow for a call for a

recorded vote, so I will do it. However I am putting this Council on notice you may challenge me in the future as Speaker, a recorded vote will have to be called for before the vote is taken. Only time after a vote is taken is if the Speaker is unsure of the result of the voice vote. There will be a change in practice to uphold the Procedure By-law after this meeting.

Councillor Steek as has been our practice has asked for a recorded vote on his motion. All in favour please rise.

A RECORDED VOTE has been taken the result being as follows:

Yeas

Councillors De Smedt, Steek.

Nays

His Worship Mayor Murray, Councillors Eadie, Angus, Clement, Gerbasi, Lubosch, Pagtakhan, Smith, Steeves, Thomas, Vandal, Wyatt, Lazarenko, Mr. Speaker Councillor O'Shaughnessy.

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

Mr. Speaker: The amendment is defeated.

Closing debate on the clause. Councillor Clement was given the right by the Mayor, do you wish to refer the closing back to the Mayor?

As long as you don't both speak. Mr. Mayor closing debate on the clause.

Mayor Murray: Thanks very much. I wanted to speak because I wanted to thank Councillor Clement and Councillor Thomas and Councillor Steeves on the Finance Committee for their work. They help us manage the budget from this point forward.

I just wanted to say something very briefly that I hope that when we go to bed tonight in our prayers we'll recognize the extraordinary benefits that we take for granted of living in the City. While in many parts of the world buildings have come down because of terrorism, and in the next few days bombs will drop likely on innocent people. We here have a privilege for the modicums of the imperfections of our democracy or disagreements about the structures and forms of our democratic process. We live in an extraordinary democratic and free society.

While we still have racism and discrimination and then we still deal with the marjinalization of many people in our society. We are so far advanced from so many places in the world where a racial or religious difference or if your Kurdish can lead to genocide. I hope tonight we will all pray for peace and hope that the complex of the world can be resolved without war and that the international institutions that try to sustain peace like the United Nations, receive the endorsation of both the powerful and the weak in the world.

(2:05)

There's something to me that's been very sobering as I've telling on my television, I try to click a balance in the debate that we have today about our budgets. That we're the only city in Canada that's frozen taxes. I think sometimes we have opposition in our country for the sake of opposition.

I want to say to all the Councillors who are not members of Executive Policy Committee especially some of you who are newer. I want to thank you for your patience, for your support. Sometimes if you're in opposition you get more media attention or if you're a Chair of a committee you get more media attention. Many of you have been quietly supportive working on things in your ward and you sometimes don't get the attention that other councillors do. And many of you I know as many of us start planning our retirement in the future years will be rising with that maturity.

There used to be a joke about Bill Norrie that he use to say, follow me, I'm right behind you. Some people would think

that was a pejorative comment. It was an always a remarkable stand that many people all lead from behind. Many of you have done that. I want to thank you for your support because it means a lot to me. For the many of you who have taken time during the budget process to come and spend some time with me or invite me down to your office to talk about issues in your ward or how things can happen that's been very very patient. I say to Councillor Lazarenko and Councillor Wyatt, we'll work very hard to try and resolve that within policy in the issues that you've raised on the floor of Council today. I thank you for your patience.

This is an extraordinary budget. I guess my only issue with Councillor De Smedt is, it doesn't get a lot better than this. We're spending 30% less than Edmonton and 16% less than Calgary which are two of the lowest providers. There's now a spending gap. We're debating whether water docks and public arts strategy and replacing lighting infrastructure is a luxury or not. You look at the levels of investment in art and high quality public spaces, the Millennium Skateboard Park in Calgary which some people here may view as frivolous but you're looking at four or five million dollars investments in recreation facilities that are not fixing streets and that. We need to start catching up in that area. It's very hard to argue that you should have beautiful bridges and that Moray Street should be there. I guess I would ask us to try and work a little more closely together.

It's hard to do Kenaston. I know that some of you felt that was a very important project, and I thank you for that because it is. It's not that anyone doesn't think it's important, it's got to compete with other things. I believe rapid transit is terribly important to density and to sustainable development. With an aging population many people are not going to be able to drive their cars, and we've got to plan now for the next five and ten years when more people are going to be dependent on the bus and we need a rapid transit system, and we'll now be looking at that as a capital budget.

I also want to say that the issues that are in the motion that Councillors Steek and De Smedt, most of those issues are capital, and they are working through committee and there's lots of time to debate and discuss them, and make our cases for why we would support them or not.

I sometimes think that when we think of our parents and grandparents who came here with nothing, who came here when there was no downtown Winnipeg. A couple of generations who came here from poverty, from famine, from war and arrived here not speaking English, many who struggled through poverty. Then you look at us their children and their grandchildren and the level of privilege that we have that we've inherited so much from our parents and grandparents whose generation had so little, and they gave us so much. In some senses we've got to set some perspective on our privilege. That we finally after a hundred and thirty odd years of this city have an extraordinarily democratic society. A very exciting cultural community. We have the privilege to debate things that would seem like minor and insignificant issues in many other parts of the world today. Let's count our blessings and let's put those other folks in the world in our prayers.

Thank you for an elevated debate. For both of you who aren't supportive and in opposition, you brought a challenging and interesting debate today that I think improved the quality of our democratic process. I thank you for your patience and for the maturity that you as a city council I think have provided cutting edge leadership with our administration.

I want to thank Gail Stephens who's been an extraordinary leader, we're going to miss her terribly and to all our staff in finance, I can't mention all the 8,000 employees and our citizens. We have a very good team here, elected officials. So thank you for I think being the best city council and the best city government in the country, and the most special place to live. Thank you, God bless.

Mr. Speaker: Thank you. Recorded vote has been called. All in favour please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Murray, Councillors Eadie, Angus, Clement, Gerbasi, Lubosch, Pagtakhan, Smith, Steeves, Thomas, Vandal, Wyatt, Lazarenko, Mr. Speaker Councillor O'Shaughnessy.

Nays

Councillors De Smedt, Steek.

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

Mr. Speaker: The Clause is carried.

Move onto By-laws. Mr. Mayor.

EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS

Mayor Murray: I'll move that by-laws numbered 59/2003 and 61/2003 be read a first time.

Mr. Speaker: And that motion requires suspension of the rules. All in favour? Contrary? Carried.

Clerk: By-laws numbered 59/2003 and 61/2003.

Mayor Murray: I'll move that by-laws numbered 59/2003 and 61/2003 be read a second time.

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

Clerk: By-laws numbered 59/2003 and 61/2003.

Mayor Murray: I'll move that the rules be suspended and by-laws numbered 59/2003 and 61/2003 be read a third time, and the same be passed and ordered to be signed and sealed.

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

Moved by Councillor Clement that Council do now adjourn.

ROLL CALL

Clerk: Mr. Speaker Councillor O'Shaughnessy, His Worship Mayor Murray, Councillors Eadie, Angus, Clement, De Smedt, Gerbasi, Lubosch, Pagtakhan, Smith, Steek, Steeves, Thomas, Vandal, Wyatt and Lazarenko.

COUNCIL ADJOURNED AT 2:17 P.M.

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Wednesday March 19, 2003
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