STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS

QUESTION PERIOD

Minute No. 600
Councillor Swandel noted that some time ago, the Federal Government eliminated two percentage points of GST which equates to between 250 and 270 million for the City of Winnipeg; a substantial amount of money. Councillor Swandel suggested that Council could also request the reinstitution of at least one of the GST points, with the money flowing directly through the Province to municipalities for infrastructure. Councillor Swandel asked if there was any conversation going on to push the infrastructure issue through the Province, back up to the Federal Government, who took 200 to 270 million out of the equation when it comes to infrastructure in the cities, in municipalities in general.

Councillor Vandal stated that infrastructure and crime were the two hot button issues facing any government in Winnipeg and in Manitoba. He added that the City should be spending 380 million more than what was currently being spent. In response to the question, he stated that there had been negotiations for an overall better deal framework for Winnipeg and a new conversation should occur with whoever wins the Provincial Election, to advocate a better deal for Winnipeg, the Province and Federal Government over the long term.

In noting that GST is rebated to cities but PST is not, Councillor Swandel questioned if there had ever been any conversation with the Province about providing a PST rebate to the City for operating and capital expenditures.

Councillor Vandal replied that part of the infrastructure recommendation adopted by Council, was a certain percentage point of PST rebate that was to flow back to the City of Winnipeg and significant discussions have taken part in the past between the Provincial Government and the City of Winnipeg lead by Mayor Katz. He concluded that it was incumbent on the City to champion it going forward and continue the dialogue and the momentum after the Provincial Election to negotiate a better deal for the City of Winnipeg with the Province and the Federal Government that is earmarked for infrastructure improvements.

Councillor Swandel noted that the Premier said at the recent Chamber of Commerce debate that the PST contribution, one percentage point of PST grows naturally by 5 to 7 percent every year so it is a growth tax. Given that inflation runs at 8 to 10 percent, or higher, and projected to be at least that high for the next ten years, Councillor Swandel asked what could be done to at least get the funding to the point of keeping up with inflation.

Councillor Vandal replied that all three Provincial parties had not placed infrastructure renewal in the City of Winnipeg to the forefront and it was incumbent on Council to regroup and have a seminar on the best way possible to strike a better deal with whoever is elected as the Provincial Government.