CUPE Canadian Union of Public Employees
Local 500

Local 500 Brief Submitted to Executive Policy Committee

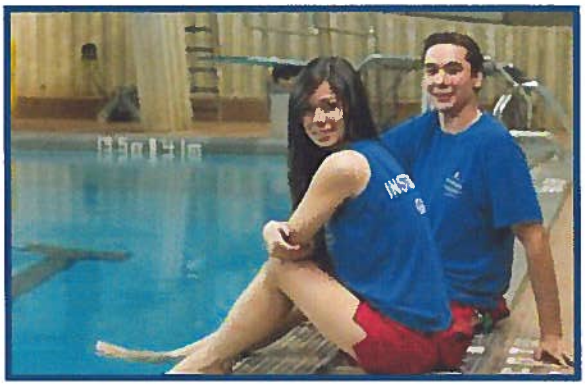
December 12, 2013

RE: City of Winnipeg 2014 Operating Budget

Introduction:

Thank you for the opportunity to present our views on the proposed 2014 Operating budget.

Local 500 members provide important public services to the citizens of Winnipeg. We value the work we do and want to provide the highest quality of services possible. It is also important to emphasize that our members and their families are also taxpayers and users of city services. Therefore, we speak to you today as both providers and users of city services.





We see some positive measures in the proposed budget – increased investment in local and regional streets, more money for library materials, increased funding for Aboriginal Youth Strategy, improvements to public safety, and increased investment in parks and recreation. We are also pleased to hear that the Mayor is looking at ways to fund the necessary repairs to reopen Sherbrook Pool. For over eight decades, this facility has provided accessible and affordable recreation to the citizens of Winnipeg. Local 500 members are proud of community recreation facilities such as Sherbrook Pool. As we've said many times before, as a union, we care about our community and want to assure public services remain available and affordable for all Winnipeggers.

Property and Business Tax:

Property taxes provide the majority of the city's revenue. They are not popular, but necessary to address the city's infrastructure and service needs. In our view, the thirteen years of property tax freezes put the city further behind in resourcing the upkeep of our roads, water and sewage network, civic buildings, parks, social programs, and recreation facilities. When we consider the 2.95% proposed for 2014, homeowners will have seen their taxes go up by 10.32% since 2012. As we've said in previous briefs to Council, a gradual and incremental tax increase (.5% to 1%) over the past number of years would have softened the load for taxpayers. Such a move would not have been out of line with other Canadian municipalities. For example, as shown in Table 1, other cities have seen significant increases in property taxes over the past 14 years.

Table 1 Changes in property tax rates: 1999 - 2013

	Cumulative	2014
Edmonton	67%	5.5%
Calgary	63%	6.1%
Saskatoon	54%	7.2%
Vancouver	52%	
Winnipeg	1.37%	2.95%

Clearly, other cities have been proactive in dealing with revenue shortfalls, while tax freezes and cuts to the business tax, has left Winnipeg with insufficient revenue sources.

The business tax brings in roughly $58 million a year in revenue for the city. Over time, the business tax rate has been reduced by 3.85% (9.75% to 5.9%). A further reduction to 5.7% is being proposed in the 2014 operating budget. We believe business and commercial properties need to contribute more to the financial well being of our city. They benefit tremendously from services provided by the city, whether it is police and fire protection, roads or water and sewer services – they should pay their fair share. Now is not the time for a business tax reduction, when residential homeowners are facing a property tax increase.

Service Cuts/Reductions:

The budget proposes service cuts to two important services within the Community Services Department.

Elimination of the Community Crisis Support and Response Services

The community crisis response team provides vital support and response services to Winnipeg's most vulnerable and at risk citizens by:

- Connecting citizens to available agencies in relation to mandated services (i.e. building closures, water disconnections, pending tax foreclosures, homeless individuals requiring frequent emergency response);
- Providing short-term intervention to people who have been identified at risk;
- Providing support to various civic departments (for example: police, by-law, fire/paramedics, water and waste, and planning, property and development) who encounter individuals experiencing personal difficulties;

- Assisting in the City's Emergency Response in the event of a large-scale disaster.

Eliminating this important service will not only compromise the safety of at risk individuals, but will put more strain on emergency services personnel who should otherwise be performing their normal operational duties.

Local 500 strongly recommends that funding be maintained in this budget to provide ongoing crisis support and response services for the citizens of Winnipeg. We cannot continue to allow the burden of budgetary shortfalls to be shouldered by citizens who desperately need our help.

Elimination of Community Resource Coordination and Community Development Services

The provision of community resource coordination and community development support systems are essential components of healthy communities and improved quality of life.

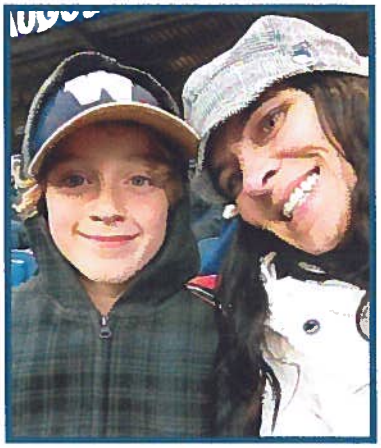
Local 500 members who work as Community Development Workers, are the direct liaisons to community groups/organizations who work together on strategies relating to neighbourhood based recreation initiatives, crime reduction and neighbourhood safety. In addition, this program provides new comers and settlement workers with information and links to city services and resource agencies.

The proposed cuts to community resource coordination and community development will hamper existing efforts to improve our neighbourhoods and ultimately, our communities.

Once again, Local 500 recommends that funding be maintained in the proposed budget for this important and vital service.

Grant Funding:

Grant amounts to museums, seniors programs and other non-profit agencies were reduced in last year's budget. The city needs to adequately fund and resource these programs that help to enhance the quality of life in our community.



We also note that the proposed budget includes a new grant of $1.75 million to the YMCA-YWCA towards three new recreational facilities. The city also plans a further commitment of $46.7 million over the next 11 years on a cost-shared basis. While Local 500 supports the work of community agencies and are happy to work with community networks, we nonetheless believe that publicly run facilities are best positioned to, and already provide an excellent range of affordable and accessible recreation and leisure programs and aquatics training. We also think it's important to say that the city should be investing in its existing infrastructure before moving on to new initiatives.

Cost-Saving Initiatives:

Where we have other serious concerns, and the budget indicates more reductions in services can be found in the millions of dollars in cost-savings initiatives.

Note for example:

Alternate Service Delivery (ASD) Review

The budget contains an allocation of $2.4 million in savings through the Alternate Service Delivery (ASD) review process. The union questions where are these projected "cuts" identified in the budget? We believe that depending on what services are being impacted, some councilors here today may vote very differently on this budget. And equally important, taxpayers have the right to know how their tax dollars are spent and what services are being cut.

As we have said many times before, the city should be looking at opportunities to bring services back in-house (i.e. garbage collection services) that are currently provided by the private sector. The experience across Canada is that private delivery of public services, or the privatization of public infrastructure is not working in the public interest.

In our view, the ASD process is flawed and history has shown it doesn't work. CUPE has proven time and again, that dedicated and experienced public employees are the best people to deliver public services.

Vacancy Management

Over the last several years, the city has used vacancy management practices to help balance the budget. This year, the budget proposes $14.1 million dollars in savings but once again, does not identify the position or the departments affected.

This continuing practice of cutting staff and leaving positions vacant, has taken its toll on almost every single city department. The effects of vacancy management include:

- A decreased capacity to deliver services to the public;
- Poor morale within the civic workforce;
- Reduced ability to redeploy injured and disabled workers.

The bottom line is that every department needs adequate staffing levels, in order to deliver needed public services and programs. In addition to this, members are often taking on the responsibilities of two or more people, causing increased stress levels, and putting them at risk of injury. This is not the way to run a workforce, and definitely not a way to run a public service.

Mandatory Unpaid Leave

Local 500 members are proud civic employees who provide quality public services 24 hours per day, seven days a week. For over a hundred years, they have defended our city in floods, winter storms and other severe weather conditions. Simply put, our members are the backbone of our city serving the citizens of Winnipeg day in, and day out.

In 2011, CUPE Local 500 members ratified our current collective agreement, as did City Council, unanimously, in a special meeting held on April 8, 2011. In that agreement our members, your employees, took a wage freeze in the first year of that contract. They must live with the terms and conditions of our collective agreement that we bargained and ratified with the city, and so too should City Council.



We have also negotiated and worked with the city on a number of efficiencies and cost saving initiatives, including:

- Letter of Understanding – Re: Education, Training and Staff Development Fund;
- Improvements to workplace, health and safety;
- Scheduling of shifts in our arenas and Water and Waste Department;
- Letter of Understanding – Change Initiatives;
- Agreement to end provisions for sick leave cash-out to all employees hired after February, 1995;
- Cost savings from Student Labourer rate (negotiated in 1988 as a cost savings measure to help stabilize internal in-house operations costs – savings of approximately $20 million over the past 24 years).

In our view, Local 500 members have contributed more than their fair share in providing efficiencies and cost savings to the city.

The implications of enforcing a mandatory unpaid leave on our members are serious, one that we don't take lightly. The impact it may have on service delivery is one thing, and the impact on our members' lives is another.

We believe there is no less need for city services over the holidays; in fact, there are the same, if not more. Traffic signals burn out, water mains break, dogs run away, water treatment plants need to staffed, civic buildings need to be maintained and calls to 311 need to be answered. The list goes on. Many Winnipeggers expect to be able to take their kids out skating, swimming, or use recreation facilities and libraries over the holidays. Are you proposing that our members who provide these front-line services either shut down, or work at dangerously low staffing levels?

As the Director of the Community Services Department, Clive Wightman has indicated his Department has been unable to participate in an existing voluntary furlough program, because he can't afford to give his staff time off work, even without pay, as they are needed to deliver services.

> **"I need every single hour of productivity from civic employees." (Winnipeg Free Press, December 6, 2013).**

And, according to Public Works Director, Brad Sacher, he also said "he couldn't allow staff to participate in the voluntary furlough initiative, because he couldn't spare them." **(Winnipeg Free Press, December 10, 2013).**



In the same way that the city doesn't shut down between Christmas and New Years, neither do our city's businesses. Businesses expect timely access to city services, they expect the city's assessment teams to be available and expect inspectors to be available.

Finally, you are asking that individual employees lose important income that helps their families through the holidays – some of whom earn $12.66 per hour. This is hundreds of dollars worth of pay that these Winnipeggers rely on to support their families. CUPE will not accept forced unpaid days in this budget as a cost savings. Winnipeggers depend on the services our members provide and this initiative is simply an erosion of those services.

Conclusion:

We simply cannot support a budget that does not adequately fund programs and services and reduces staffing levels. All of these reductions equal less service to the citizens of Winnipeg. Ultimately, it is Winnipeggers who will pay the price.

Thank you.

MD/KB
ng/cope342