CUPE Local 500 | Canadian Union of Public Employees

Speaking Notes Submitted to Executive Policy Committee

March 17, 2015

RE: 2015 City of Winnipeg Operating Budget

We would like to thank the Executive Policy Committee for giving Local 500 the opportunity to present our views and concerns on the proposed 2015 Operating budget.

Local 500 members are proud civic employees who 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. As frontline workers and taxpayers, Local 500 members know first hand what's important to Winnipeggers and how much they rely on quality public services.

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

Budget Process

I'd like to begin my comments around the budget process. Yet again, the City's attempt at public budget engagement and consultation has let down the citizens of Winnipeg. The process needs to be greatly

improved upon and one that includes input by citizens, the public service, and civic unions and associations. The narrow time frame for debate and adoption of the budget limits public involvement given the amount of material to cover prior to the schedule of meetings. The citizens of Winnipeg deserve to have their opinions known on significant decisions that will affect them. We hope that changes will be made to ensure that a fair and comprehensive process is implemented – one that engages its residents, employees and business people in the budget process.

City Finances

There are some positive merits in the proposed budget - increased investment for streets and roads, Aboriginal Youth Strategy funding, restoration of funding levels to the city's civic museums and more money for Sherbrook Pool. We also support the City's move to help end homelessness.

We realize that City Council is facing some very difficult decisions this year. Property tax increases are not popular, but are very necessary to meet the city's infrastructure and service needs. While we welcome that the proposed budget includes higher tax revenue, this is not the time for a business tax reduction.

Healthy cities have healthy businesses. We support local businesses and we realize that they need to make a profit. However, the call by some business groups to eliminate the business tax altogether, is irresponsible. One has to question, if the business tax was

eliminated, what revenue source will it be replaced with? We believe that if the business community uses municipal services and infrastructure in order to make a profit, they should not be exempt from paying their fair share for their use.

The business tax brings in roughly $58 million a year in revenue for the city. The proposed budget calls for the tax rate to be reduced from 5.7% to 5.6%. This means that the business tax is about $1.3 million lower than in 2014. However, had the business tax grown at the same rate of property taxes, the business tax revenue collected would have been close to $1.4 million higher than the previous year. In real terms, we believe the proposed business tax cuts removed close to $2.7million from the City budget.

Today, the City collects less in business taxes than it did in 2001, while property tax revenue has grown by 37.8%. In short, Winnipeg's business community pays much less business tax than in other major cities. In order to provide good infrastructure and quality public services for the City, you have to raise revenue in a fair and equitable manner. Citizens will otherwise lose vital services they depend on. Winnipeg will become less attractive for new and existing business.

Both business and residential homeowners need to continue to be equal partners in contributing to our city's operations and infrastructure renewal.

Vacancy Management:

The actions of vacancy management over the years, has taken its toll on almost every single department within the City of Winnipeg. This budget calls for $17.7 million dollars in targeted savings, an increase of $3.4 million over 2014's allocation. Once again, the budget document does not identify the positions or departments affected. It is inconceivable to think that the City's workforce can continue to absorb these levels of cutbacks, while still maintaining service levels to the public.

As the Union who represents a large segment of the city's workforce, we hear from members in their workplaces, through surveys and other forms of consultation the effects of vacancy management. I can tell you that we hear the same thing from every Department and every workplace: the City is short-staffed; workers are feeling burned out; poor morale, and their ability to deliver the services they would like to, is limited.

These are real issues that concern us greatly. The bottom line is that every department needs adequate staffing levels in order to deliver needed public services and programs. This is not the way to run a workforce, and definitely not a way to run a public service.

Service Cuts/Reductions:

In our view, the City's public works and social infrastructure has been underfunded and under-resourced for several years. We are very concerned about the proposed budget cuts to various services and

capital expenses specifically within the Public Works Department. Some of these reductions include: park amenity and playground maintenance, park planning/development, weed control, tree pruning, Dutch Elm Disease (DED) Control and winter amenity maintenance.

In particular, we wish to discuss the proposed ***elimination of the Park Patrol and Park Ambassadors Program for a cost savings of $851,204.***

The former Park Police and now Park Patrol and Park Ambassadors Program, has enhanced public safety and security in our park system for well over 10 decades. The proposal to eliminate this service, will seriously affect the security and accessibility to our parks, which are a major recreational and social asset of our city. While we understand that the City wants to reduce costs, we believe a budget cut to this important function would seriously reduce the quality of service Winnipeggers and tourist need while in City parks. Local 500 strongly recommends that funding be maintained in this budget to provide ongoing park safety and security services for the citizens of Winnipeg.

Innovation Capital Fund – ASD Committee

Finally, the budget includes a $1 million dollar Innovation Capital Fund under the leadership of the Alternate Service Deliver (ASD) Committee. The budget document states, "The goal is to fund the

best ideas for improved efficiency, service delivery, accountability and responsiveness in City operations".

CUPE was advised many years ago that the ASD Committee was designed to bring forward cost effective ideas, and at the same time, not to compromise the level of service. That being said, the City has been reluctant, if not completely opposed to providing information and data to CUPE. Case in point would be the FIPPA the Local had to file on the issue of snow clearing. CUPE has still not received this information.

As Local 500 has said many times before, we believe that public services provided by unionized staff, and provided by municipal governments directly, are the most cost efficient method of providing services. We have provided this and previous Councils with examples of where we believe that savings can be achieved by reducing the role of private contractors and bringing services back in house. Such examples include: solid waste removal, street construction, traffic signals work, and snow removal.

We believe that the $1 million dollars for the above initiative would be far better spent in retaining the park patrol and park ambassadors program in order to maintain and provide safe park services.

On a final note, our Local has a long and proud history of working with management, and politicians in the City, to find creative and more efficient ways to deliver public services and achieve cost

savings. Some examples include, but are not limited to the following:

- Scheduling of shifts in arenas and Water and Waste Department;
- Improvements to workplace health and safety;
- Agreement to end sick leave cash-out to all employees hired after February, 1995;
- Letter of Understanding – Change Initiatives;
- Cost savings from Student Labourer rate (negotiated in 1998 as a cost savings measure to help stabilize internal in-house operation costs. In the 26 years since the Student Labourer rate was agreed to, it is estimated that the city has achieved a wage savings of about $22 million).

We have a strong, dedicated and experienced public workforce and time and time again, the City passes budgets without talking to the people who do the work. Now is the time to use that workforce effectively.

In conclusion, we feel the City cannot keep imposing restraints on the civic service while reducing the business tax and at the same time taking on new initiatives. While there are some important enhancements in this budget, particularly to physical infrastructure, we believe the budget does not adequately fund basic services and reduces staffing levels. Local 500 makes the following recommendations with respect to the 2015 Operating Budget

- An immediate end to the vacancy management program – to ensure adequate staffing levels in city services;
- That the City Administration and Council work with Local 500 to look at options for contracting-in of previously outsourced work such as snow clearing, to ensure accountable and quality public service delivery;
- Eliminate further reductions to the business tax. Business and commercial properties need to contribute more to the financial well-being of our city;
- That City Council take concrete steps to reduce their involvement with outside consultants where qualified City staff exists.

Those are our comments and recommendations.

Thank you.
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