COUNCIL OF THE CITY OF WINNIPEG
Wednesday October 22, 2003

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 Angus.

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.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: We have a Page with us this morning. It is with extraordinary pleasure that I introduce Ms Katie Young of Henry G. Izatt Middle School. She is the daughter of our clerk Fred Young and lives in the River Heights Ward. Welcome.

Also have a special presentation this morning. Mr. Mayor, Councillor Angus, I believe you're both involved.

Mayor Murray: First of all Councillors we have had a tradition down here which I think is very important. When our outstanding city staff do something extraordinary and get national recognition that often used to be filed in a file or a shelf somewhere and no one would ever know about it. I think you've seen the extraordinary recognition that our staff has got.

I'd like to introduce to you a few people, one who's here to do the presentation from the private sector a company KGS. It's been a very good partner to the City, they're responsible for a lot of the engineering work on Waterfront Drive and many projects in providing us with high quality engineering services. Roy Houston is here. He's here in the capacity as a local rep for the Canadian Public Works Association.

I'm going to mention a few folks. You probably know Dan Wiwchar, Barry MacBride. Stan Siu and have I missed anyone there guys, and Ken. Along with Public Works, Water and Waste and Transit run every year the Public Works Week Family Fair and events. It's an extraordinary successful event, I've had the fun of going up jumping in cherry pickers and jumping on buses and all kinds of equipment I didn't even know we owned.

They put this on to show the community what kinds of public works services we deliver, what kinds of equipment we use. They teach kids about safety whether it's around hydro wires or culverts. It's an extraordinary effort, it's a volunteer effort also supported by the civic unions, WAPSO and CUPE and others. This is not the first time they won but I'll leave that to Roy to tell you a little bit more about that.

I'd like to introduce to you Roy Houston of the Canadian Public Works Association to do this presentation.

Mr. Roy Houston: Good morning ladies and gentlemen. My name is Roy Houston. I'm here representing our President Dorian Wondzura. He's the President of the Canadian Public Works Association.

It's always nice to be involved in making awards to recognize the works of our people that we depend on everyday, our public works people.

This award started back in 1962 when then President John F. Kennedy wanted the nation to recognize the efforts of public works people. This competition on public works week has been carried out in Canada for the last 15 years. Every year it's a stiff competition. This year there was a committee of two, I was one of them. The other was Frank Arbo from New Brunswick. We independently reviewed all the submissions and made a selection. The competition was pretty close. There was one point difference between first and second. Brampton was in second place and the City of Winnipeg was in first.

We want to recognize the different departments that were involved, what happened in Winnipeg and what they've done. There was involvement from the Public Works Department, Water and Waste and Transit and several other people in the private sector.

A good positive point in the evaluation was the involvement with Winnipeg Harvest, donations by people that attended the Public Works Week at Kildonan Park, all the donations went to Winnipeg Harvest and they were very thankful for that.

It's my pleasure at this point to make this presentation. This is the National Public Works Week, a recognition award presented to the City of Winnipeg for outstanding efforts in the National Public Works Week for 2002 in Canada.

Mayor Murray and Councillor Angus, if you would come forward we'll make this presentation. We have someone taking a picture here.

There's several people sitting in the audience who were part of the big volunteer committee that put on Public Works Week here in Canada, and I'd like to recognize them as well. Thank you very much for your hard work.

Councillor Angus: That you Roy, and on behalf of the employees and the leaders of the employees, and all members of Council, we're very appreciative. It is nice to be recognized by a peer group on a national scale. That means somebody else has sat there and said, this group has done an exceptional job. We all know the services that these people provide that we take for granted. The fact that the buses run on time. The fact that the water runs when we turn on the tap. The roads are cleared of debris and snow. They do an incredible job with not a lot of recognition.

On behalf of the people that work in my department, the managers and the employees, thank you very very much for putting on an excellent opportunity for the citizens of the City of Winnipeg to view and see what Public Works does and not take this for granted as they have been. Damn it I hope we get more money to do a better job. Thank you.

MINUTES

Mr. Speaker: Councillor Steeves moves the Minutes of the meeting held on September 24, 2003, be taken as read and confirmed. All in favour? Contrary? Carried.

COMMUNICATIONS

Councillor Smith moves that the communications received too late to be placed on the regular agenda be received as information. All in favour? Contrary? Carried.

(9:43)

Sadly no delegations this morning, so we'll move right along to the Report of the Executive Policy Committee dated October 8, 2003.

REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED OCTOBER 8, 2003

Mayor Murray: I would move Items 1 to 3 of the Report of Executive Policy Committee of October 8, 2003.

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

Report of October 15, 2003.

REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED OCTOBER 15, 2003

Mayor Murray: I would move Items 1 to 4 as consent.

Mr. Speaker: All in favour? Councillor De Smedt. No. 4. On Items 1 through 3 as consent, all in favour? Contrary? Carried.

Item No. 4.

Item No. 4 – Memorandum of Understanding – Mayors and Reeves of Manitoba's Capital Region
File EP-1.5

Mr. Speaker: Did you wish to introduce the Clause Mr. Mayor or wait?

Mayor Murray: I think it's pretty straightforward Mr. Speaker. I'll just wait to hear what Councillor De Smedt has to say.

Councillor De Smedt: Thank you Mr. Speaker. No need to worry Mayor Murray, I'm very supportive of this clause in front us.

I would just like to highlight to our colleagues that often we forget about the strategy that's been in place here for some seven or eight years which is to work with the capital region. We have this memorandum of understanding in front us. The Mayor will be asked to review it. But I think what you're seeing in front of you is some generous words that suggest that we will continue to work together, try and understand mutual areas of concern, and try to bring forward an economic development strategy for the region, not just for the City.

It's fairly benign but I think you should just keep aware of it from time to time. We the City are putting some $30,000 a year into this. Each of the municipalities in the capital region put in a share, and we have a budget and we try to effectively establish mutual cooperation.

You will note that the memorandum of understanding in the clause and point number one, the memorandum of understanding should be approved with the understanding that partnerships or servicing arrangements entered into between the municipalities be consistent with the principles of Plan Winnipeg and the standards of Winnipeg. That doesn't mean to say that we ought not to reject or think in the longer haul about mutual services, whether it's regional waste water, regional water or other initiatives.

I know this connotes a lot of immotive issues of whether we are into an expanding city and going against compact urban forum. I think we should remind ourselves there's an environmental issue here in the longer term, and if at some point in time somebody brings forward a credible proposal that we need to enter into an addition of regional waste water services outside our city boundaries, we ought to be looking at that in a very objective way.

There's nothing threatening, nothing in front of us at this point in time. I do remind this council that I think in a very immotive debate I believe it was in 1996 by a tie vote you turned down the delivery of water service and waste water service to the Municipality of Headingley. A decision that I really regret because I think what we have seen is an opportunity here, we've lost an opportunity to grow our city in a proper way. The decision for the rural municipality of Headingley to succeed from the City in the early '90s was inappropriate, that was a strategic opportunity for this city to grow in a logical way and add to the tax base. The fact that we were not willing to grapple with a differential mill rate and provide a tax basis consistent with the service we are providing didn't mean that in the longer term we shouldn't have been providing some water and waste services.

The debate could go on. I just wish to indicate to you my support. I've been working with the approval of the Mayor and the Secretary of Intergovernmental Affairs, Councillor Eadie with the Capital Region Mayors and Reeves of the Capital Region, I sit on that committee. I think this is a positive benign statement about mutual cooperation. Please don't ignore it. It's an important one that we have to deal with our colleagues and our partners that surround this city.

I will be supporting the clause obviously. Thank you.

Mr. Speaker: Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. I plan on supporting the report clause as well. I've read through the report and I agree with Councillor De Smedt, there's nothing in there that in and of itself affronts me.

I do have some concerns about this issue in general. I didn't see some things that I thought were important reflected in the

report and maybe I'll just ask the questions and maybe upon closing the Mayor could respond if he happens to know.

I know that we were going through a process, I don't remember the actual name of the process, but I know it was being run by Professor Thomas of the University of Manitoba. I don't know if that has anything to do with this. My sense was this also had some dealing with the Provincial Acts and the Capital Region and there was an idea that the Province may be involved in sort of a more formal arrangement, maybe that's somewhere further down the road, and that's fine if it is.

I didn't see a whole lot in here with respect to land use planning which is fine, if this report doesn't deal with that, it doesn't deal with that. I am wondering in the base of the discussion if somebody could tell me where that was in terms of this report if it ever came up, if it ever purported to be reviewed. I wasn't around for the Headingley debate on whether to provide water services. Without even being part of that debate some of the concerns I'm sure the concerns of the then council was the idea that it does become difficult as a city if you're trying to provide services over a larger and larger area of a more thinly spread population, it's always been a challenge we faced in the City of Winnipeg and you've heard the statistics that make it challenging.

The issues of the Province could be sort of answered in summing of the motion, and if there was any reflection in this report as to whether or not it would have anything to do with land use planning or if that subject was approached. That's what I would require. Thank you.

Mr. Speaker: Mayor Murray.

Mayor Murray: Mr. Speaker I would like to close but I think just given Councillor De Smedt's work on this, could I just ask that we ignore the rules and allow him to speak one more time please.

Mr. Speaker: The Mayor has moved the rules be suspended to allow Councillor De Smedt an additional speaking time on the matter. All in favour? Contrary? Carried.

Councillor De Smedt: Thank you. Thank you very much Your Worship.

I think to answer your question Councillor Steeves, the issue is being considered by the Province through the ARPAC Report, they do have a high level committee that's been working on it. Our Deputy Mayor has been sitting on that as our official representative. I understand that report is in for translation. It's going to be released soon when they announce probably a new Minister for Intergovernmental Affairs if there is going to be a new minister. You'll see I'm sure contained within that document a statement about land use planning.

I do know that no matter which government has been at the forefront over at the Leg. in an a political way, everybody's concerned about land use planning. There will be some discussion about that.

I understand the point that you're making, you can't have a willy nilly growth and use of services and of course we have the hammer in terms of the City of Winnipeg. These are our facilities, our citizens have paid for this.

On the other hand, if some environmental issue pertain came forward and a business case was made, I think we would be obliged to consider it objectively. I think that's the key word. Objectively in the context of what we're facing at the time.

There's no nefarious plan sitting here under this particular memorandum of understanding, people are working assiduously to try and get onto services. We have had requests from several municipalities to tie into services in a limited way. They are trying to kind of minimize the cost overall to the taxpayer because each municipality can approach two other levels of government to get grants. There's only one taxpayer rule it's coming from somebody.

(9:50)

And they have been getting grants. The Municipality of Ritchot just received one 18 months ago and they've put in, they've extended their water services. But it's coming from the general taxpayer. You can't look at this in isolation.

I don't see this as setting in motion something that we're going to be obliged to consider. I just think ahead 50 years. We're going to have to look at ourselves in the City as a capital region. At some point in time I do believe and my colleagues I have to tell you in the RM's don't like to hear this, but my view and I would certainly think some of you might agree, that the boundaries of this city are not going to stay the same for the next 50 years. I think they will take in some of our colleagues next door to us and they'll go down fighting tooth and nail, but on the other hand it may make sense. Calgary has a 30 year land use plan and they've been given approval by the Province of Alberta every five years to review that and they just automatically incorporate new boundaries so that they can regionally plan the development of that city and potential services and they have a way of transitioning the cost to the new taxpayer that's come on from the rural municipality. They just don't automatically say you now have to pay the current Calgary tax.

There's some logic and there are examples throughout this country that show how you can have a practical way of seeing boundaries increase to reflect the use and what the people would need. An increase in business, an increase in residential communities and I know it tends to go against some of the ideas that people have in compact urban form. But there is a reality to our life here in North America. In fact the reality is going to be is that these city boundaries will indeed increase. I can only point out a couple of strange ones that we have both in the R.M. of McDonald and the R.M. of West St. Paul. I go up Main Street everyday and soon as I get north of Riverbend and I see this very strange residential community right on our boundary being part of the R.M. of West St. Paul, and with all due respect to my colleague Reeve Durman who will be very upset about this particular comment, the fact of the matter is it is bizarre in terms of the growth of this city that they are not included in our boundaries and we could provide the services etc. A lot of you know this.

I see this as a very positive statement to try and continue to work together. I know Mayor Murray and Councillor Eadie and Councillor Thomas have been working with the Capital Region people on this particular issue. I hope this addresses your concerns. Thank you.

Mayor Murray: Thanks very much. I would just in closing like to thank Councillor De Smedt for his many hours each month of work on the Mayors and Reeves Committee. I've had the pleasure of working with him. Thank you very much for the time you've put in. I want to thank Councillor Eadie for the support he's given it.

I think in summing up there's two very distinctive processes here. The MOU is really the framework on which the Mayors and Reeves of this region of the 16 municipalities all of us are prepared to work together.

We are suggesting that the principles of Plan Winnipeg which cover 90% of the region be the underpinning of regional policy. I think that makes sense. That there should be consistent development standards.

I was here just to answer Councillor Steeves question, I was one of the councillors that voted to extend services to Headingley. There was actually Councillor Clement led a discussion with the then reeve and had come to a reasonable agreement which I thought made some sense. I was on the losing side of that vote.

My concern was and the one thing I objected to and really the strong objection I had to it in spite of voting for it was that it capped growth at five percent in Headingley. We would provide water but only in five percent growth. If you do the math and if a servicing agreement limited growth to five percent, and each of the suburban or exurban rural municipalities that are not in fact rural, have five percent

growth, that would outstrip the entire growth in the region which meant that that would have meant all growth would have continued to be outside the City. That was the difficulty in the debate is that Headingley wasn't prepared to settle for less than five percent limit on growth, and many of us felt like we had a gun to our head because the idea of losing Headingley we thought undermined the principles of Unicity. Matter of fact I've raised this issue that when neighbourhoods become when peripheral communities become predominantly suburban they should be annexed. I believe that and I like the Calgary model, Calgary used to have about a five year negotiating period. That obviously will raise the ire of some of our colleagues.

If you actually capped growth at one or two percent for water and sewer services, that would be about the level you would require to actually have Winnipeg get its fair share of growth. Those are not the issues that this MOU solves. But the idea of the MOU is to try and get back to more positive intermunicipal agreements that there is more of a respect between various city and rural municipal governments to try and come up with some positive common ground we can work together.

Some of the issues that are being looked at Councilllor Steeves are things like mosquito larviciding, we've had huge success. I think it was our first almost mosquito free summer that involved a lot of cooperation. We're looking at land drainage. We're looking at coordinating planning and I think we're all anticipating the ARPAC report in the next couple of weeks. But that is a very separate discussion. Whatever ARPAC may say will not impact I don't think in any way on the desirability of this MOU and its objective of cooperative relations between governments and the Capital Region which I think is positive.

I want again thank you Councillor De Smedt for all your work on this, I think you've done us yeoman's service.

Mr. Speaker: On the clause, all in favour? Contrary? Carried.

Motions. We have one motion moved by Councillor Steek seconded by Councillor Wyatt which would be automatic referral.

Councillor Steek you wish to address this?

Motion No. 1
Moved Councillor Steek
Seconded Councillor Wyatt

WHEREAS on September 24, 2003, a majority of City Councillors supported an Administrative Recommendation that $500,000 be transferred from the General Purpose Reserve to support the "New Deal" Initiative;

AND WHEREAS the direct costs of the "New Deal" now totals $986,825;

AND WHEREAS the "New Deal" is about transparency and accountability;

THEREFORE BE IT RESOLVED that the Administration disclose immediately the preliminary budgets relative to any and all department staff directed to research and analyze the "New Deal";

AND BE IT FURTHER RESOLVED that the Administration disclose immediately the preliminary budgets for the October 2, 2003 "Imagine A City" one-day event, all media campaigns, town hall sessions, travel and any other costs associated with the "New Deal";

AND BE IT FURTHER RESOLVED that the Administration up date Council on a monthly basis comparing preliminary budges with actual expenses incurred.

Councillor Steek: Thank you Mr. Speaker. I don't think that there's any reason to refer this motion, frankly I think there's…

Mr. Speaker: Excuse me. You have three minutes in asking for suspension of the rules on the motion.

Councillor Steek: In asking for the suspension of rules, the reasons are straightforward.

The motion that you see in front of you has come directly out of the public consultation around the New Deal. A great many of us around this chamber have had the pleasure of attending those meetings. One of the things that is constantly reiterated at the town hall meetings coupled within the documentation that has come forward, and I actually quoted it. "The New Deal is about transparency and accountability".

Having stated that, I read the question and answers that we got that talked about the fact that two-thirds was allocated to town hall meetings and one-third was going to be allocated to analysis of the deal. That's great but let's be a little more specific than that.

We're hearing that the one day event at the Fort Garry was $100,000 tab, fact or fiction I don't know. But a million dollar public consultation is unparallel and it may be warranted because this is an unparallel series of events that are starting to unfold in this city.

If you really believe in transparency and you really believe in accountability, you want to march out all the numbers around this for one reason. We have been given the best predictions possible about what the new tax avenues will generate in the way of revenue, for the sake of argument, $127 million on sales tax, $99 million relative to gas tax. So somebody did a budget, a projected budget.

We've heard that there's a million dollars that's being spent on the deal. I think the citizens of Winnipeg would like to see this as a cornerstone because if we're going to be transparent and accountable about the entirety of the deal, surely Mr. Speaker an amount like one million dollars can easily be laid out and preliminary budget form. I'd like to see specifically how this money is being spent.

The reason I bring it up, I happened to be in a community committee meeting the other evening, and Councillor Smith said, you know we're having trouble getting meetings set up in the innercity, and we would like to have the opportunity to bus people into it.

(10:00)

I'm quoting Councillor Gerbasi because I went back and I checked my notes. The answer was no, we have committed that one million dollars. Well it may be in we may not be able to afford to bus people in. Seems like a rather modest amount to me.

If we have indeed committed one million dollars to selling this deal into the public domain, let's tell the public where the one million dollars is going. I think they have every right to know.

Accordingly, I'm simply asking for suspension of rules today, it's a very straightforward motion, the turnaround time in getting this out from our own people would be short. It's a fair and reasoned request. That's the reason for asking for suspension. Thank you.

Mr. Speaker: Request is that rules be suspended, this motion be dealt with now. Do you want to speak Mr. Mayor?

Mayor Murray: Mr. Speaker there's absolutely nothing urgent about this. This is this kind of over the top stuff that just is a little unfortunate I think. It takes a quick phone call to the CAO to get this information. It's such a waste of our time on the Council floor. Annitta Stenning, it takes a five minute walk over there to say look at that, to talk to Shirley Muir and Connie who are managing this.

I'm not sure whether all the money has been allocated quite frankly. I know they're looking at different research options right now. I am also told that depending on once we've finished the new deal first point before we go to the newer deal and we settle on which taxes seem to make sense and what mix makes sense, further analysis is going to be required.

I quite frankly don't know the details of it. I think this is a little premature. I think it should be referred to Executive Committee. I think we should ask the CAO to come and do a presentation on it.

Quite frankly, it's a bit disappointing Mr. Speaker. This is one of the most important debates in the history of our city. We're out there listening to the public right now. I keep on saying to councillors, the same people who voted against spending any money to do any research are now saying, let's be transparent about the money. No one's having an issue about being transparent about the money.

I'd like to hear each of you come up with one suggestion for how to make it better, how to deal with the infrastructure crisis, how to deal with that. I'd like each of you to try and go and talk to Connie and Shirley. It's sort of sense well we have to force this on them because we can't trust them. We don't take five minutes of our time to go and work and talk to our staff, but we come up with these motions so that we can put it all on the public forum and get some brownie points.

I would suggest we refer this back. I would invite all councillors to the next EPC meeting. I would ask Annitta Stenning and Connie and Shirley Muir to come and chat about it.

Finally we just had a council seminar yesterday. I said to everyone, we're trying to work as a team here. No one, not Councillor Wyatt nor Councillor Steek took five minutes to say look, I'd like that information. Had anyone even said that that could have been part of the presentation yesterday and could have been circulated publicly. We go to a lot of trouble to communicate.

I don't have any problem with the content of the motion. I'd like to give the Administration a bit of chance. I don't think it's urgent. I suggest we refer it to EPC. It will be back here at the next council meeting. I think we need to get a sense of where we're at, how much of that money is spent, whether it's all being used and where we're at because quite frankly Mr. Speaker I just trust our management team to spend this money wisely. They don't usually disappoint us.

Councillor De Smedt: Mr. Speaker, I won't speak directly to the issue or even sideways. This is about public transparency.

Mr. Speaker: No, I'm sorry Councillor De Smedt, that is way beyond the rules. You're into debating the issue, and council will decide whether we're debating the issue or not with the vote we're about to take.

Recorded vote has been requested on the motion to suspend the rules to deal with Motion No. 1 now. All in favour of the motion to suspend the rules, please rise.

A RECORDED VOTE was taken the results being as follows:

Yeas

Councillors De Smedt, Smith, Steek, Wyatt, Lazarenko.

Nays

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

City Clerk: The vote Mr. Speaker, Yeas 5, Nays 11.

Mr. Speaker: The rules are not suspended and Motion No. 1 is under automatic referral to EPC.

We have no by-laws. Question period. Councillor Wyatt and Councillor Steek.

EXECUTIVE POLICY COMMITTEE QUESTION PERIOD

Councillor Wyatt: Thank you. Through you to the Mayor. Mr. Mayor, the Convention Centre was built in 1975, it has done many things in the past number of years to renovate itself and modernize itself being that it's now 28 years old. It's an excellent facility in our city and it attracts tourists, it attracts revenues. Though the reality is to compete with other convention centres across the country that have been now developed

over the last 20 and 30 years, we need to modernize and expand ourselves. We have to do that to ensure that we have future tourist dollars coming to the City, that we do not lose conventions, we do not lose revenues coming to the City.

The Convention Centre has a business plan on expansion largely based on hotel tax, and the accessing of hotel tax. What I would like to know Mr. Mayor is whether or not the plan to have hotel tax in the new deal undermines the ability for the Convention Centre, or is this hotel tax money dedicated to the Convention Centre. As I understand it right now it's geared towards economic development.

Mayor Murray: There is a meeting with the Hotel Association this week on the new deal. The hotel tax right now would generate on rooms about $3.1 million. That's not enough to finance a $75 million to $100 million expansion of the Convention Centre. As a matter of fact it will be a reduction in the taxes of hotels who currently pay $3.8 million in business tax which is a fixed tax unrelated to rooms. The reason for the hotel tax right now, we think we're over taxing hotels, the business tax is one component of that.

Why we want a sales tax and where the sales tax comes in, it would be 1 ½ percent, half of the existing one percent, and the liquor tax at 7% would generate about $16 million. The sales tax would generate I believe it's about $127 million. That tax would grow. If we built the Convention Centre and for a convention centre to compete today, needs 100,000 square foot floor play which our doesn't, which would mean building over the street to the south side.

Two things we think would happen. One is, we would be able to attract conventions of over 5,000 people. That investment would then fill hotel rooms. We would also get the Convention Centre out of competing for local service clubs and weddings and going head to head with hotels as a publicly subsidized facility in the local market.

(10:08)

And the hotels would prefer the hotel room tax went to tourism, marketing and promotion and the kinds of things that we do there.

I would imagine that if we had that larger convention centre the way that Phoenix does and Grand Rapids, Michigan, some of the places we build, that we would see a lot more visitors, a lot more conventions. As those people would rent hotel rooms, buy liquor, food, and buy things, unlike the current system which would have to pay for convention centre expansion on the backs of our property taxpayers, this would generate a lot of revenue from the economic activity. All that sales activity, all of those expense accounts going on would generate hotel tax. We would hope that our hotel tax would go to $4 million, $5 million, $6 million as new hotels get built and the existing ones fill up. We hope that more people who drink booze and have a good time that would also go into our policing and the Convention Centre, and the sales tax would do that.

Right now if we did it under the old deal, the Convention Centre would probably take us 70, 80 or 90 years to see our first new tax dollar. Where if the Provincial Government did it they would see their tax dollars out in a couple of years because all those growth taxes that would be spun-off, income tax, corporate tax, tax related to the construction and then all of the sales tax would mostly go to the Province.

When I talked to people and Councillor Steek I want to give him some credit here raised this point yesterday in the seminar talking about who pays this extra money. Well it depends on how you spend the money you've got. Right now it would be financial suicide for the City to spend $75 million or $80 million or $100 million on the Convention Centre expansion because we'd get no taxes back from it, we'd be forcing that on our residents.

Under the new deal, if we built this convention facility, it would largely be paid for by the people who visited the City and used it, and the increased activities. If we used a hotel room tax we would be

sharing risks with the hotel room industry as their hotel rooms filled up. Only then would we get new revenue. We'd have to do things like smart investments in the Convention Centre to do that, and get them out of the local market which would reduce subsidized competition.

I'm a big believer in it, but I don't think you can justify convention expansion paid for by the City under the old deal, I think if we get the new deal I'm hoping one of the beneficiaries of it will be expanded convention and other facilities in the downtown, so Winnipeggers don't get hosed on their property taxes for much needed improvements in our economic development, tourism, convention investments.

(Councillor Lazarenko in the Chair)

Mr. Deputy Speaker: Your second question Councillor Wyatt.

Councillor Wyatt: Mr. Mayor I think we both agree the importance of an expanded convention centre. My concern is that it does not become an issue that's subject to being on the backs of the taxpayers like you referred to under the old deal, and that the new deal would be talking about the need of having a dedicated tax source, that's why the hotel tax makes so much sense. Because you're filling up hotel rooms based on new conventions coming to the City so people who are actually coming are subsidizing the expansion of the Convention Centre.

According to the Convention Centre, they feel that they can finance Convention Centre expansion through hotel tax. Based on that alone and to ensure the expansion of the Convention Centre can proceed, would your office communicate to the Convention Centre Board whether or not the hotel tax will be dedicated as a source for them to expand the Convention Centre so they can fulfill their business plan to do that?

Mayor Murray: I've been spending a lot of time listening to people. I spent most nights, if I'm not at a town hall meeting, I'm meeting with young people or business groups or community or labour groups. What I've heard from hotels is that's exactly what they don't want to happen. They want the hotel room tax to go into value added tourism promotion and to reposition the City and rebrand and remarket the City. They are very afraid of us taking taxes directly out of the hotel to subsidize it.

They also want to see a business plan which we haven't seen yet on the Convention Centre. We owe the hotel industry a responsible business plan that assures them that a Convention Centre expansion is about bringing more Americans, more Albertans, more people from Quebec and Atlantic Canada around the world to this city, and that we're bringing new dollars in. What they don't want is to subsidize the Convention Centre, that means more of the local business that is currently in the hotels is being transferred to the floor of the Convention Centre. That's the challenge we've got.

I think that there's also not enough revenue. If you look at trying to finance a $75 million, $100 million expansion of a convention facility which I believe we need to do to stay in the game. I think if we don't expand our convention centre, and we can't get back into the 5,000 plus conventions, then we're not bringing the large volume of people to our city who should be spending money here of replacing some of the taxes that Winnipeggers currently have to pay. That's part of the new deal.

I think that's a very critical asset as is the Human Rights Museum and other big drivers of tourism and conventions. The hotel room tax Councillor Wyatt, with great respect I appreciate the principle you're speaking to and we certainly want to increase hotel room revenues on increased occupancy not on a higher tax burden. I agree with you 100% there. Just isn't the kind of tax that's going to be able to do all the things the Hotel Industry would like to see happen with it and build our convention centre. I think we should leave that to the sales tax which I hope you'll be a supporter of.

Mr. Deputy Speaker: Your final question.

Councillor Wyatt: In light of the fact that the hotel tax is off the table for their plans and the Convention Centre based on their own indications felt that hotel tax would have financed it quite well. From what I heard the Hotel Industry is quite split over the issue of hotel tax, a lot of them don't want it at all.

What commitment will we get today or the Convention Centre get in a short time so they can plan for the future, so they can have an idea of revenue flows, and what kind of guarantees will there be for dedication of revenue for this?

Mayor Murray: Well I have a lot of respect and trust in Martin Hak who's a friend, who's the Chair of the Convention Centre Board, and Klaus Laur, I think they're going to deliver a business plan. Mr. Speaker I'll just leave my friend from Transcona with a question. Which is, what is the Councillor from Transcona going to do to champion the kinds of revenues to build this that aren't going to be on the backs of our taxpayers? What is the Councillor from Transcona going to do in his community to rally support for things like the sales tax and hotel room tax so that our visitors bear a fair share of the burden for building of the facilities, like they do in Phoenix, like they do in Grand Rapids, like they do in Minneapolis, like they do quite frankly in all of these cities that have bigger convention facilities. I think the convention facility in Phoenix where our old hockey team is, is already three times the size of ours, going to be four or five, six times the size and they're paying for it with sales tax Mr. Speaker, they're not paying for it with property taxes, and I think we have to realize that we live in the North American free trade environment and we have to start participating in that with proper infrastructure including economic infrastructure and we've got to stop over taxing our citizens to pay for these things. We've got to tax smarter. I hope that my good friend who I have a lot of respect for, Councillor Wyatt we will see to be a champion of these changes.

Mr. Deputy Speaker: Councillor Steek.

Councillor Steek: Thank you Mr. Speaker. Through you to the Mayor. The primary economic engine in the new deal is a city sales tax that's projected to generate $125 million to $127 million in new revenue. It also broils somewhat in a legal issue, as to whether or not the Province must call a referendum if there's going to be an increase in sales tax.

Twofold question. Number one, has the Mayor discussed this with the Premier? But most important of all, do we have a written legal opinion available to every member of Council as to what the City status is relative to a referendum when we seek a sales tax? Straightforward question.

Mayor Murray: Yes.

Councillor Steek: That being the case, will the Mayor share that legal opinion immediately with all of us? Why is it important Mr. Speaker? Because this deal is out there rolling along on the premise that there needn't be a referendum.

(10:13)

When will all of Council see the legal opinion from our department?

Mayor Murray: I guess Councillor Steek's phone is broken, maybe he needs to borrow mine. I would be surprised if that wasn't being made available. I know they don't want it released for reasons, it's an In Camera item, so there's some hesitation to circulate it. I don't think there's anything in there that's untoward. It's just the practice of our legal counsel. I think they probably if they haven't, if you've spoken to them they probably verbally told you over the phone with that, I think as long as you respected the confidentiality that goes with our office that would certainly be helpful.

I also want to say the same thing. As much as it's the Mayor's deal in the media, and the buck stops with me on change, all of us are trying to participate in this. The understanding principle and law here the Province already has a 7% sales tax. The Province already has a

7% energy tax already the one that we've talked about that's so controversial. The Province's revenues are outstripping GDP growth and are three to four times the rate of inflation. Our taxes are regressive. They have negative impacts on the economy, and we're trying to shift our taxes to more progressive taxes. I get paid a goodly sum to be Mayor as do most of you. I think the expectation from the public is that all of us are supposed to come up with ideas.

I would suggest to Councillor Steek, you're a lawyer, you're asking someone who's not a lawyer a question on a legal matter. I can certainly try to get some form. I haven't actually got the actual technical legal opinion, I got a two paragraph e-mail describing what the in plain English what the intent of the law was. This is an issue I think of, do we have a sales tax or not really involves an intense discussion with the chambers of commerce, the business counsel, with residents to look at the implications for low income people.

Before we jump to whether or not we're going to have to legally be bound by a referendum or whether this is because this is a city revenue issue, we don't have to have one. Those things are really small potatoes. We're facing a $2 billion infrastructure crisis in the City, we're getting hit with an $800 million plus bill from the Clean Environment Commission to clean up our rivers, and we're trying to figure out a way to pay for that without hurting our citizens so we can clean up our rivers, fix our streets, get Harvey Smith's backlanes finally fixed and not wait until his great grandchildren are born to do it.

Let's try and focus in the next month. We have this real opportunity in the next month to come up with solutions. You can ask me all the questions you want, I'm quite happy to answer them and I appreciate your interest in it.

I'm really looking to councillors to lead here. Each of you have some unique perspective. Councillor Steek is a lawyer with great experience, he's been a business person. Councillor Vandal is a former professional athlete and worked in the North End with low income people has a particular perspective there. I'm really counting on tapping all of your brains and ideas to look at how we can make this new deal better. Councillor Pagtakhan has been out holding town hall meetings like going great guns in Point Douglas and talking to people, and I'm getting phone calls about people where he's been at meetings and chatting about this, and has generated a whole bunch of ideas as has Councillor Gerbasi and others. I really need your help here. We need to work as a team here. This isn't perfect. There's things in the new deal I don't like. They were other peoples ideas and this isn't all about me, this is all about the citizens.

If you have ideas please contribute them. We're in the early stages of this, whether we have referendums or how we end up resolving this with the Province is only going to be a serious discussion if we actually can come to a consensus as a council on a deal we can all buy in. We haven't even got this through the public process yet and we have a long way to go. Let's try and focus on the agenda at hand. There's lots of time to worry about these things. The lawyers tell us we're in the clear Garth. I assume Ursula Goeres is on our team. Len Strijack are pretty smart people. I'd be glad to sit down, it might even be good if you and I sat down over coffee with them and you're a lawyer you know more about this than I do, and we could have a chat and you can ask your questions. I think they're only concern is confidentiality as it always is when there may be liability to the City.

Mr. Deputy Speaker: Your final supplementary.

Councillor Steek: I noticed in the Mayor's earlier commentary that he talked about being disappointed by councillors who weren't jumping on board on this thing. Part of our responsibility is to query. Frankly I'm disappointed that the issue of the sales tax which is a cornerstone of this deal is treated as "small potatoes". The fact that this is "In Camera". Why would we not want the

citizenry of Winnipeg to know what's happening here?

I'm just going to leave you with one thought on this Mr. Speaker. The balanced budget legislation is very very clear. And there are exemptions to it. I'd be interested in just hearing back from the Mayor because he's obviously had communication with the Legal Department. It's simply this.

Ability to increase the rate of a tax if in the opinion of the Minister, that would be the Minister of Finance one would assume, the proposed change design to restructure the tax burden and does not result in an increase in revenue. Then it's exempt from a referendum. I just heard that we're looking for $127 million in new revenue. Why is this question important? Because why are we blowing our brains out on the cornerstone of the deal if we don't know definitively that we can get this never mind from the government but whether or not the government has to go forward with a referendum. Why are we not being told right on the front end and being shared with in a very public forum what the position of our legal department is? In writing, backing it up with case law. That's my question.

Mayor Murray: I'll give you a simple answer. The question was, do we need a referendum to raise the sales tax? In a word the Legal Services Department's advice is, no. Simple. Clear. No. That's their legal opinion. They've also I understand consulted outside legal counsel and they've been told the same thing. There's no pontification here. This is not complicated. The answer was simply no.

Is the Premier aware of this? Yes. He and senior members of his cabinet have been briefed on this. I briefed the Premier. I met privately with the Finance Minister. There is huge concern about the economic competitiveness of the Province, vis-à-vis other provinces and cities. So what are we doing?

We are looking at the economic competitive rankings of Manitoba and Winnipeg relative to other jurisdictions in Canada with these tax changes. We are working with, and that's being done with the Province, and that's well advanced right now and I think we'll try and share all of that when that work is finished with Council. This is some of the money that some councillors voted against. We're working with TD Economics right now. You saw Don Drummond's piece in the Free Press. The Toronto Dominion Bank would tell you that as Councillor Wyatt has raised this issue very legitimately on a number of occasions, is this going to be smarter taxation, is it going to make us more economically and business friendly taxation that's going to create investment. I am not the senior vice-president of economic research for the Toronto Dominion Bank who's a former Assistant Deputy Minister under Paul Martin in the Finance Department and he said clearly, this new tax deal from an economic perspective is music to our ears at the TD Bank.

I'm going to defer to Don Drummond as one of the most quoted leading economists on economic renewal and taxation and probably the leading expert in Canada who says, our old deal is not good for the economy, it's not good for low income people, and to use his exact words, the new deal is music to our ears.

(10:25)

It is not municipal government asking for handouts, it is municipal government asking for the tools. And there is a huge difference between having a 7% and 8% sales tax which Ontario and most other prosperous cities have sales taxes at or at a higher rate than we have in Canada, and continuing to be the city with this absolutely destructive business tax and extraordinarily high property taxes which hurt low income earners as well as affluent people who are leaving the City to build their big homes on the periphery. Those are the realities.

We're working with the Conference Board of Canada. One of the most recognized national research institutes, highly regarded, widely quoted. Anne Golden and her team are reviewing our tax structure and our proposals. Impact on

low income people. Impact on downtown renewal. Impact on manufacturing. Impact on exports. That's what the million dollars and others, and some of this is being done pro bono for us. They just did a major study of four Quebec municipalities. What are they saying? Very positive stuff about Winnipeg's new deal.

I was just in Toronto Mr. Speaker and I spoke to the Toronto Summit Group, met with some of them. These are major business leaders who are now seeing Winnipeg not as the laggard of the Canadian large cities, not as the economic backwater about a city who's taking the bull by the horns dealing with its debt problems, dealing with its taxation problems, and dealing with its tax problems. You know what's disappointing Mr. Speaker sometimes, it's easier to convince a banker that this is a good idea than it is some of my colleagues. If the TD Bank did not come up and say this…

Point of Order

Councillor De Smedt: You're attacking your councillors here.

Mayor Murray: No I'm not. I'm just saying some of you are harder to convince. That's not a bad thing Councillor De Smedt, I said this to you yesterday. I don't mind the skeptics. You play an important role in this. At one point we have to agree. Is this economically good, or is this economically bad.

We've tried to go to the best experts, I don't mind the skeptics, don't take that as a shot. I don't mind the skeptics. At one point, when you get someone like Don Drummond or Anne Golden or other people looking at this and giving their approval and working with us on this, that's pretty high powered stuff. They're writing major papers on this right now. We've captured the national imagination on this. This is good stuff.

We have a heck of a lot of work to do. The devil is always in the detail. Councillor Steek was talking to me the other day about a woman who makes $25,000 who drives a car, who feels she's being injured by that, so we're going to have to make adjustments in this deal to ensure that we can accommodate those people reasonably. That there are better choices for them, and that we can protect them from that. Even though on a macro level all of this may work, there's going to be incidences in specific cases in our community where people or some businesses may be hurt. Trucking companies, we have to pay attention to the gas tax.

I don't mind the skeptics, and that's an important role on Council. We can't cross the line to being completely cynical about it because if we move from skepticism to cynicism then we can't move forward. I don't think people are there.

Let's just realize that we are getting the best advice legally, we're going to the best minds in the country on this, and we should be proud of that. This hasn't been a hard sell. These folks have come to us with enthusiasm and excitement about being part of the team that's developing this deal. We're not in a rush. We've got months of hard work to do.

Let's take a breath, take a little deep breath here, realize that we've got a lot more people to listen to, they're not all going to be happy with us. By the time we get to the end of this a few months down the line, I think we're going to have the most awesome city government in the country. I think we'll have the fairest and most progressive tax deal. I think we should all be excited about the opportunity to be part of that.

Mr. Deputy Speaker: Councillor Angus.

Councillor Angus: Mr. Mayor, following up on Councillor Steek's question. Is there anything to prevent the Province from vacating any of the sales tax and contributing that to the City of Winnipeg?

Mayor Murray: Nothing I'm aware of.

Councillor Angus: The Federal Government has indicated they're going to be vacating the taxes that are being collected from the automobile tax, the

gasoline tax. Is it accurate that we get from the Province, I don't know, $115 million a year in round figures in grants and conditional grants and supporting things such as transit and that sort of stuff? If they were prepared to vacate the sales tax they could give us save that money because we're not going to be double dipping, is that not an accurate assumption? Maybe I read it differently than Councillor Steek did.

Mayor Murray: I think you're quite correct Councillor Angus.

Councillor Angus: In the final instance perhaps it is possible that with cooperation and discussion with the other levels of government, I'm not sure the Province is anxious to give up any money. I'm not sure exactly what their position is. Some negotiation on this whole package, is there a process for us councillors to submit changes that we want to make to this process saying, we like this one, we don't like that one, is there any information on how that process will flow? So if our constituents for example say, I like all of this but I don't like that. How do we get that input into the mix so that it is viably discussed at one of our weekly or bi-weekly council seminars on this issue. There should be an opportunity for us to have that input.

Mayor Murray: We had a seminar yesterday, we're planning more of them. If councillors would like to have more sooner we would certainly do that. There are other efforts going on too.

I've been very involved with some of my colleagues across the country trying to get cities completely exempted from GST the way the provincial governments are. Section 125 of the Canadian Constitution says that governments can't tax other governments. But because Mr. Speaker as I know you know from your many years around here, we are not legally a government in the constitutional sense of the word, so we're subject to albeit a lower rate but a significant rate of GST which is just taxing tax dollars.

There has been a suggestion out there that I like which is that since, is that one percent of the existing GST be transferred to municipal governments. That has been strongly argued by Jane Jacobs. It was put forward as part of the C5 discussion that did not capture the imagination of the big city mayors. It would be preferable in all cases rather than raise any new taxes to actually transfer taxing and power from those governments that have had significant surpluses in the '90s to cities. We are legally the weakest order of government so we have to present a deal that is relatively realistic and has some chance of getting support.

I think the rules with the Province are, if it's not revenue neutral to the Province, they close the doors very quickly on us. Quite frankly as Councillor Angus has tried so hard on his many years around here fighting for infrastructure going cap and hand to the Provincial or Federal Governments is simply asking for more grants for infrastructure may get you money for one or two or three years but it's not the same as having your own access to tax to fix those things. When you're looking at sewage treatment costs close to a billion dollars you can't do that with an infrastructure program.

The other challenge Mr. Speaker we've had, is when we borrowed money in 1995 with great good will we borrowed almost a quarter of a billion dollars that year and we're still paying the debt on that. We're paying more money to the bank on interest for the buses we were buying than actually putting money into buses. We had more money going into interest. We're trying to get out of that so more money is going into buses and streets and less to the banks.

We tried a lot of other solutions. We tried borrowing money, that didn't work. We got ourselves into a debt mess. We tried to go cap in hand to government with Jane Jacobs that great urban thinker refers to in Canada as the urban opportunistic begging of mayors. We tried to fix those things.

We're trying a very different approach. Will it work? I'm optimistic, I pray a lot and I hope a lot and I dream a lot. I think we can do this.

I can't emphasize this enough. Councillor De Smedt you raised that point before, I agree with you. We need skeptics around here. And healthy skepticism is a good thing. But we need ideas badly now. We really need your ideas. I can't emphasize that enough. We need ideas.

Mr. Deputy Speaker: Councillor De Smedt.

(10:34)

Councillor De Smedt: Thank you. Thank you Your Worship for explaining some of these issues in the new deal. I thank you Mr. Speaker for allowing a little bit of latitude because this is a very important subject and that's why it's coming up in question period.

I'm not a skeptic. I'm not a cynic. I'm not a naysayer. I'm not simply for utilitarian city. We are hearing from our community at large and I think that's what you're hearing at these town halls. Sometimes it's an imperfect circumstance but we're hearing very clearly that people want to know more.

I have a couple of specific questions and then I'll wrap up after. The first one, because the whole new deal is based on a whole bunch of assumptions. One of them of course is that we need to have a large infrastructure plan.

When can you share with us with more detail than what I've seen from the Administration which is a generalized plan on the next 10 years where we want to see some of the $120 million infrastructure money go? But more detail.

With that (inaudible) with this question is, when can you share with us this boogeyman that we're getting from the Clean Environment Commission that we're going to have to spend very quickly over a five and ten year period? We need to discuss that particular issue Mayor. Can you just give us a bit of it.

Mayor Murray: I think you might want to raise that under Public Works as well because Councillor Angus has been leading our infrastructure fight.

The detailed infrastructure deficits have been accounted for in two ways. One is Public Works, Transit, and Water and Waste can detail you all of the outstanding inventory, they can even give you street names that need to be repaired. If you want to request that from the Chair of Public Works, he is the keeper of that information. We have a five year capital budget and a five year shadow budget that is quite detailed.

Number two. The Clean Environment Commission is a public document. If my staff is listening or City Clerk's is listening, I think we have received copies of it. It details the projects and requirements. There will be an order coming from the Province we're told in the next couple of months that will detail that. There is a 10 year requirement which I'm understanding for water and sewer is over $800 million that we don't have in our budget. It is being covered off in the new deal. It does relate to some of the new deal, that's part of the $120 million going there. With the combined service overflow, I think Councillor Angus can give you more detail on this later on, but it's in the ballpark of about $2 billion that they're requiring. Our attitude here at city government is, we've got to get this done, we can't have sewage going into our rivers. But we've got to have the means to pay for it, and it's not a government grant or an infrastructure deal, it's got to be a sustaining source of revenue, it's got to be one our citizens can afford.

Those detail plans are there, those are public documents Councillor De Smedt. I'll certainly see what I can do to help get them to you quickly. Thank you for the question.

Mr. Deputy Speaker: Thank you. We very seldom do that but it's at the wish of Council.

Councillor De Smedt: Could we have an extension of time, 15 minutes to just pick up on a few more points on the new deal.

Mr. Deputy Speaker: All in favour? Contrary? Carried. Councillor De Smedt your second question.

Councillor De Smedt: I was going to commend Councillor Angus for bringing up a couple of points here but I now rethink that.

A fundamental assumption of course is that we're going to be rejigging the tax, tax shifting making it perhaps more appropriate in terms of the accountability processes and equity. And there's some socioeconomic issues related to that. I believe the Mayor's been on record saying that he's doing that analysis to make sure that this indeed would be fair.

One of the fundamental assumptions in all the reports that we've been relying upon and I'm supportive of those, the Canada West Foundation, Conference Board of Canada. The Toronto Dominion analysis. Indeed that's my bank for 43 years, unless I don't know something they'd better come and talk to me. In that report which Mr. Drummond has been instrumental in guiding. On page 25 it clearly indicates. Having discussed all these issues that it's time for cities to get their act together and get the taxation levels appropriate in their relationship with the other two levels of government, and that's the point they're making. Shift, get it appropriate. There's only so much money out of the economy and they recognize that. And they say that unless you can get particularly the Federal Government and the Provincial Governments….the question is this.

Is that you have to get them to share and give room, either through tax credits and some other way. The fundamental assumption is, is that there's one taxpayer. I'm coming back to the Mayor and saying, I understand the assumption of trying to put more into our city but why are we taking more from the taxpayer. All the reports suggest that we do take the initiative and get the Federal Government and the Provincial Government to give us those credits in a fashion that would have to be obviously negotiated. The five cent a litre gas tax is only a start. I give you credit Mr. Mayor, you've taken the leadership and the Big Cities Mayors Conference to take the lead and pressure the Federal Government and do that particular issue. But it goes beyond that. It should be a share of GST back into our economy. A share of the PST back into our economy.

Mr. Deputy Speaker: Your question please.

Councillor De Smedt: The question is, why don't you change that fundamental assumption Mr. Mayor. We can't take more money from the taxpayer when you add the three levels up.

Mayor Murray: One because, I keep on saying this over and over again. I, and you are elected by the citizens of Winnipeg to worry about the City problems. The Premier and the Province and Stuart Murray and the opposition and Jon Gerrard and the Liberal Party worry about those issues. Whether the Province is occupying too much of the GDP or whether they're not is up to them to account for not up to us. And they've just re-elected a new democratic government which by a much larger majority and they now represent the vast majority of seats.

We're assuming that when they get almost 50% of the voters slightly more, that they are doing the things that Manitobans want them to do.

I found in my intergovernmental relations with people like Paul Martin and Gary Doer, that I get a lot farther by not telling them how to run their governments.

Having said that, we obviously when we point out that Federal and Provincial revenues are outstripping GDP growth in this city. I also sat here in the '90s while we borrowed money and taxes went up and Council struggled diligently to try and deal with the growing infrastructure problem, the standard rhetoric out of some of my colleagues was always to point the finger for all the property tax problems to the school boards. That would be very good if I got elected as a school trustee, I should own that and have that responsibility.

(10:40)

Councillor Steeves can tell you when you've got 96% of your budget being

salary and few choices, how tough that job is. I have a lot of respect for the very difficult work of the school trustees.

I believe in one thing. I'm Mayor of the City of Winnipeg, I'm not Premier of Manitoba nor am I Prime Minster of Canada. My job is to get the best deal for the City.

I also trust the likes of Don Drummond, Anne Golden, Dr. Burdell at the Canada West Foundation who's been studying the taxation base of the 12 largest U.S. cities in Western Canada, the six largest cities in Canada. When they endorse these kinds of things as being economically healthy because we're shifting, and I think we're being very conservative. If we do things like a convention centre, human rights museum, we'll shift even more of the tax burden away from our residents onto others.

This isn't about only how much each of us pay. I get to pay a little bit more under this deal. I want clean rivers. I want people to have affordable housing. I want reasonable solutions to this. I don't mind. I feel blessed to be a Canadian. I'd probably be prepared to pay even more than I'm being asked to pay under the new deal. But I want to see my city prosper and grow. I've benefited from the City, I owe it something back. That's my attitude. I also believe that we've got to have a tax regime that's much more commensurate with other modern cities in the world and we can't be a 1950s backwater of taxation.

I also realize that there are 15 people in this room, some of you are pretty smart. Most of you are smarter than I am and have a lot to contribute. Many of you have many more years life experience than I have, and see that. Many of you will talk to people in this community, I don't have access to and bring their ideas forward.

I think it's more complicated than just simply, Susan Lewis said, only looking at your wallet from a selfish perspective. She said, we're trying to build a great city here. This is the head of United Way who deals with more low income and challenging issues than anyone else. She said, I'm part of the 40% that's looking up. Susan Lewis said, I support this new deal because what it's going to do for the people I work with everyday in the City who don't get to participate. I want better Handi Transit, I want better streets, I want sewage free rivers.

When you listen to someone like Susan Lewis and you look at her citizenship and community service, and you look at the leadership she's providing in this, United Way arguably has more contact with people that's some others claim to represent in a more meaningful way than anyone else. I take my counsel from those folks.

We're not trying to hurt people here. We have the people that help people. We have the people who have been left out, who's votes haven't risen with some of us who have been more fortunate included in this, and we need help.

I think we have to keep challenging the Provincial Government as we have in forums. We also have to respect boundaries of jurisdiction. I don't think this new deal is placing an unfair tax burden on our citizens in its final form. I think the tax burden we have right now is choking out investment of property. It's a small business killer. I watched the City decline relative to Calgary and Edmonton and Vancouver for 20 years. Maybe I don't have all the answers but we certainly have to start asking the questions, because the next 20 years in this city should be a heck of a lot better for young people than the last 20.

I just want to conclude. Maybe I'll circulate this. Young people aren't going to the town hall meetings. They're on the Internet, that's where they live. Someone just sent me a chat room that's been set up on the new deal, set up by young people. They're all endorsing it with criticism. They're all saying, you know what it is about this Mr. Mayor. It's about the City's finally getting excited about change. The status quo is being challenged. We don't agree with everything. Some of us agree with 50% of it, some of us 90%, some of us think

you should do even more of it. But we like change. You want to keep us here, stop being afraid of change. That's what kills a city.

I'm going to take huge criticism for this, already have. I've been personally attacked, I don't mind that, that goes with the territory. This is an opportunity. It's not a selfish one. To make a huge difference. I look at all your experience here. We don't agree on all things, that's the good thing about it. Some of your biases are different than mine, you're going to find an idea that I would never think of. That Connie Walker would never think of. There's no such thing as stupid ideas here. Some of the ideas I've come up with in my life are pretty darn dumb in reflection. Let's try and create an environment which isn't skeet shooting as one of my friends said. Let's try and create an environment where if a councillor comes up with an idea that isn't completely half baked we don't dump on it, we try and nurture it and get the whole loaf to rise. I think that's what we're trying to do.

Mr. Deputy Speaker: Councillor De Smedt your final question.

Councillor De Smedt: Mr. Mayor, thank you for trying to stay within your own jurisdiction. You know we're in politics, and this is high level stake game that we're involved in. I don't accept the fact that we should not be challenging the Federal and Provincial Governments on these issues. It is now so important, it's got national visibility, you're on leadership with the Big City Mayors, FCM has shown that. We have their attention. We have Ottawa's attention on this matter. We have to find a way to redistribute what we're taking out of the economy.

I agree that we have some problematic areas to tackle on the infrastructure issues. Don't dispute that. We've got to deal with them. I don't mind innovation. I don't mind some of these tax issues. I guess why some of us are sitting back here and saying, it's not just simply say, come and give me some ideas and we'll roll it in. If we had done a proper job and evolving public policy and my criticism is this, is that, we should have sat down together during the course of the last year as a council. You say the buck stops at you. That's really not the case. The buck stops with 16 members of this council chamber with how we're trying to deal with it. I am critical regrettably of the leadership and of your Executive Policy Committee of just allowing this to roll out. You've got everybody's wind up, there's some good ideas within it, and there's some terrible ideas.

You will not acknowledge that all these reports and indeed the Toronto Dominion report is saying, don't take more money out of the economy. The money is there. We have to get a sharing and we have the national attention and we're going to have to come to grips with it. I say that we can do that in time, not in seven or ten years, but probably within several. We don't have a crisis.

My question really comes down to this Mr. Mayor. When can you give us a plan that would establish this intergovernmental relationship that we must put in place to discuss this issue at a high level? I don't want to take anymore money out of the economy, that's the fundamental principle that many of us are on and that's indeed with all the economic analysis' are saying. Though I do admire all the reports that you have and they're commending this for this issue.

There are some good things here, but there are also some terrible things.

Mayor Murray: I don't think there's anything in this that is certainly perfect. Much of it is good, I wouldn't say any of it is terrible but much of it needs work.

I guess I never expect politics to be fair. I'd like to remind everyone there were two mayors in Ottawa when the Federal budget came down. One of us was on every national news media and doing a very severe critique of Mr. Manley's last budget. On the lack of investment in cities. The increase in spending in directions that were not helpful. Problems that it created for a productive competitiveness. And the complete lack of sufficient investment in both urban

infrastructure and national transportation systems and highways.

I would also say, there is no mayor in the country that has spent more time on the national scene chairing the Big City Mayor's caucus and saying some things that people in Ottawa don't like to hear. It was a little challenging sometimes to maintain a relationship with Mr. Manley when you say some of the things that I said about his budget. I've got to walk a line. I can't cross a line where I can't sit down with Mr. Manley after because quite frankly the fellow has a certain amount of influence on whether or not we get money in this city. It's not that there's threats or intimidation, but we have to maintain for all our criticisms a civil relationship.

(10:50)

Two elections ago it was the City of Winnipeg and the Real Estate Board that held the leaders forum Mr. Speaker for all of the candidates for premier. And what did we put on the table? The education tax. And what did we extract from varying degrees of commitment from all three provincial parties to reduce the education tax. Some wanted to eliminate it, some had proposed phased outs as the NDP in increasing tax credits. We obviously liked the ones that bring them down.

I also I think as Mayor on your behalf established a more civil relationship both with Gary Filmon and Gary Doer than we've seen in a long time and I haven't taken shots at them. I would argue that Winnipeggers and Manitobans like their mayor and their premier not to be fighting. To suggest in any way that I'm not tough on the Premier or that he's not tough on me.

The other thing is, quite frankly this city had the highest debt in the country less than a decade ago. This city had the highest property taxes in the country. And this city needed to get its financial house in order. This Executive Committee that's just rolling things out has worked as a team with you on council to take us from a single A credit rating the worst in the country to AA plus in almost every rating right now and is now viewed as a model. We do have a leadership role and I know there's dissenting opinions, but if you're going to dissent from the Mayor's opinion then you're going to fight on a different track than I am then we're not going to be working on a team on every issue but we try to work on a team on 90% of the stuff.

The other thing is. This is a crisis. I don't think that Winnipeggers appreciate the crisis it is. When I was in Edmonton recently at a conference hosted by Bill Smith and Dave Perconier they described the infrastructure situation in Edmonton and Calgary as a crisis. When you look at the last Canada West Foundation report, our infrastructure deficit is three times what Calgary's is.

Here's the problem. Let me quote Bill Smith. Bill Smith said, the Mayor of Edmonton, "here's my problem as Mayor of Edmonton. Every street right now that needs to be repaired costs us about $50,000 a block" I think he said. Four years from now those streets are not repair jobs, they're replacement jobs. They're going to cost $350,000 or $400,000. This $57 billion national infrastructure deficit doesn't start to just creep up at a rate of inflation, the infrastructure crisis becomes expediential. Every street not repaired in 2003 is a complete replacement job not a repair job in 2007 and 2008. Time is not on our side, we've got to get the money into the streets now, if we don't our kids will not be repairing streets they'll be replacing them and there is no way they can afford it. That is the crisis. Ten more years at the current level of infrastructure investment means that Winnipeggers will not be able to afford the bill.

Yes it's a crisis, and no we don't have another five years to dilly dally on it. We have to get about $60 million, $70 million, $90 million more into our streets and our roads now. Not in five years, not in ten years, now because the price doesn't just double, it starts to triple and quadruple and we can't leave that legacy to our children. While we're all fussing about taxes the big problem here is the infrastructure crisis. I start every town hall meeting saying, we can debate how we're going to pay for it, but let's not

debate that we need to pay for it. Even some of my biggest critics are now acknowledging there's a crisis. I don't want to be the Mayor that left my children an unpayable bill on streets. Thank you.

Mr. Deputy Speaker: Question period has expired.

The Standing Policy Committee on Property and Development, Councillor Vandal.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED JULY 10, 2003

Councillor Vandal: I will move that this be laid over another 30 days.

Mr. Deputy Speaker: Any discussions? All in favour? Contrary? Carried.

Report of September 30, 2003.

REPORT OF THE STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT DATED SEPTEMBER 30, 2003

Councillor Vandal: I'll move Items 1 through 17 as consent.

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

Motions, none. By-laws.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT CONSIDERATION OF BY-LAWS

Councillor Vandal: I will move the following by-laws be read a first time, by-laws numbered 143/2003, 144/2003, 145/2003, 146/2003, 147/2003, 148/2003, 149/2003, 150/2003.

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

Clerk: By-laws numbered 143/2003, 144/2003, 145/2003, 146/2003, 147/2003, 148/2003, 149/2003 and 150/2003.

Councillor Vandal: I'll move that by-laws numbered 143/2003 to 150/2003, both inclusive, be read a second time.

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

Clerk: By-laws numbered 143/2003 to 150/2003, both inclusive.

Councillor Vandal: I'll move that the rules be suspended and by-laws numbered 143/2003 to 150/2003, both inclusive, be read a third time, and the same be passed and ordered to be signed and sealed.

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

Addendum by-law.

Councillor Vandal: I'll move that the rules be suspended and By-law No. 153/2003 be read a first time.

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

Clerk: By-law No. 153/2003.

Councillor Vandal: I'll move that By-law No. 153/2003 be read a second time.

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

Clerk: By-law No. 153/2003.

Councillor Vandal: I'll move that the rules be suspended and By-law No. 153/2003 be read a third time, and the same be passed and ordered to be signed and sealed.

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

Question period. Councillor Steek.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT QUESTION PERIOD

Councillor Steek: Thank you. Through you to the Chair. Three months ago a number of us attended at the Property

and Development Committee meeting, ironically everybody that was in the meeting was a past Chair of the Committee. There was to be a report coming down about some of the issues that continue to plague and dog the department. We had acknowledgement that there is no policy, for instance, on getting back to people in a timely manner relative to property sales. There were queries relative to the timeframe in getting out building permits and so forth. We were told that report was going to come forward in 30 days. It's now 90 days ago. There is absolutely no insight at this point as to when it's coming forward.

The reason that this question is important, and it dovetails exactly with what the Mayor has spoken about. On numerous occasions in these seminars we've been asked for alternative ideas. One of the critical ideas is the opportunity to expand the revenue base, the assessment base in this city. Unless some of the issues that were talked about here, and I've just drawn out are addressed, you're not going to get the kind of the investment in the City you should have. When is the report coming? If the answer is no just please tell us no.

Councillor Vandal: Mr. Speaker I will speak to our director this afternoon. We have a public property meeting next Tuesday morning. We are assembling the agenda for that report. I will certainly obtain the status quo on where that report is.

Councillor Steek: Mr. Speaker, with all due respect to the Chair, if you check the agenda from the last two council meetings I've asked the same question. And it's always been I'm going to get you a status report. Now with all due respect to the Chair, he doesn't pen the report. We were told that it was coming up. Now if these aren't important issues I'd like to hear from the Chair and let's just shelve the report.

(10:58)

Councillor Vandal: I believe if you check the records you will find that this is the first time that Councillor Steek has brought this up on the floor of council.

However, I will check with the Director this afternoon. We are organizing the agenda for the Property and Development meeting next Tuesday morning, and we'll certainly share with him the timing of when that report is coming forward.

Councillor Steek: Mr. Speaker, Councillor Vandal has been in the Chair for two or three years, likewise Councillor De Smedt, myself. The refrain has been constant.

Does the Chair of P & D believe that there are opportunities to enhance the assessment base of this city by having a more efficient and more pro business? When I say that not adversarial to the business community, mentality coming out of the Property and Development Department. Are there opportunities to enhance the assessment base of this city?

Councillor Vandal: Mr. Speaker, I don't believe or I do believe that 16 of us realize that there is always room for improvements in what we do as a government. Property Committee included, but I would certainly not stop there.

Yes I agree there is room for improvements, and yes I agree that we need to work closer as a council as a standing policy committee to make sure that those deliverables that are identified by the politicians are delivered. As I have said on two occasions this morning, I will check with the Director of Planning, Property and Development to get a status quo on that report. We are organizing the agenda today. I will personally speak to Councillor Steek as to where that is.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: I do have a question for the Chair. We work very well together, so this is really not to embarrass you because we haven't had a chance to speak about this. I think it's to motivate your colleagues on EPC.

There is a report that's stuck in the bowels of the RAS system. There's some constipation there. Please would you get the report on the commercial vacant building by-law forwarded to our committee so we can pass it on. We need that. Either that or we get some precision guided admission attacks in various parts of our city here to collapse some buildings. I think it's been around for a while. I like to kind of commend the Administration who I know have been working on it. I haven't seen the final product. Would love to move it forward.

Councillor Vandal: Spoken to our new CAO, Annitta Stenning on this on a couple of occasions. I know the report is in the RAS system, and certainly would love to have it at committee next Tuesday morning.

(Councillor O'Shaughnessy in the Chair)

Mr. Speaker: Thank you. The Report of the Standing Policy Committee on Protection and Community Services. No motions. By-laws.

STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES CONSIDERATION OF BY-LAWS

Councillor Gerbasi: I'll move By-law No. 151/2003 be read a first time.

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

Clerk: By-law No. 151/2003.

Councillor Gerbasi: I'll move that By-law No. 151/2003 be read a second time.

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

Clerk: By-law No. 151/2003.

Councillor Gerbasi: I'll move that the rules be suspended and By-law No. 151/2003 be read a third time, and that the same be passed and ordered to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried.
Question period. Councillor Wyatt.

STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES QUESTION PERIOD

Councillor Wyatt: Mr. Speaker, through you to the Chair. Continually it's still a frustrating fact that we have an enforcement of our environmental health that's divided throughout the City between the innercity wards being forced by the City of Winnipeg inspectors and the out of the city wards being enforced by the provincial inspectors. More often than not quite often, and I want to thank Councillor Eadie for his work on writing the Province on this, the Provincial inspectors are informing us that they don't have the capability or the willingness to enforce what they consider priority three inspections which are our by-laws. It's growing increasingly frustrating with the fact that this is a divided responsibility, and the fact that there is clearly two levels enforcement in the City. There's one level enforcement which is far higher based on the fact that we have more inspectors covering a small area in the City portion of the City versus the suburban areas which have very few amount of inspectors covering a huge area.

I'd like to know Madam Chair what progress is being made by Executive Policy Committee with the Province with regards to this issue? One way or another we have to resolve it. Are we going to resolve it the same way we did with Social Services which was to hand the Services over to them and let them run the Service, or are we going to amalgamate it and run it ourselves? How are we going to enforce our by-laws to ensure that they're enforced properly?

Councillor Gerbasi: Thank you for the question. Yes I'm sure all of us are aware of the particular situation of the jurisdiction. There's a number of things going on and maybe I can give a bit of information as to the status of this for Council's information.

First of all there's a fair amount being done administratively in terms of there's committees set up at the Province with our staff. In some areas the Province will be taking the lead in that they're looking at moving things, moving their environmental health to the WRHA. They want to sort of complete that process and then they would look at the whole issue of the jurisdiction. Unfortunately we can't just tell the Province to do something right now, and I'm not sure that Council has even clarified what we want to do.

As a result of some of the issues that have been raised by Councillor Eadie with the Province and we've heard from the Minister that there's a possibility that they could download some of the authorities to us as a result of that.

Our administration right now is working up the details of what that would mean for us. At standing committee as you recall there was a motion moved to discuss this further with the Administration once they've got that information together for us.

I think this is an issue we probably should have a council seminar on in the future. For us to land as a council as to where we'd like to go. It's one of those issues that I don't think everyone on council agrees where we want this service to go. I think there's a bit of a suburban innercity split on some of the concerns and the innercity. There's different needs in the suburbs, but in the suburbs I think everyone agrees it's not being served very well by the current system.

Right now the Community Services Department is working very hard to put together some information for the Standing Committee and for EPC. In terms of the intergovernmental issue, we are waiting a little bit for them to be ready to discuss the next stage of transforming the system to whichever direction we end up going. I'll wait and see what your next question is.

Councillor Wyatt: Thank you. Thank you for your response Councillor, and I appreciate the work that you're doing on it. At our September meeting of the Standing Committee at that point, it was agreed by the Committee that we would have a council seminar and we targeted it for October with council on this to give us a briefing on the situation and to allow councillors to have input into this and to have a dialogue on the issue as well as far as that goes. I think it should be opened up to the media because this is an issue facing our constituents.

Are we going to have that, how soon are we going to have that?

Councillor Gerbasi: One of the things is that I think it would be more useful to have the seminar once the Administration has some information together for us on what we're really looking at.

(11:07)

If we were to take on some services that currently the Province does, how much would that cost? What kind of intergovernmental negotiations would need to happen?

All those issues are being worked on. If we had a seminar right now before that information is ready, I don't think it would be all that useful. We could certainly have a behind the door kind of strategizing session about what we would like to do. But a lot of times it's more useful to have the information complete before we do that.

The other thing is. Because of the new deal push right now, we're having seminars almost weekly or bi-weekly. Unfortunately some other issues aren't being dealt with as quickly. This issue is certainly important and this administration is working very diligently, and I will be following up with them in the next week or so to just get a sense of where they're at at this point. We can discuss this at our next meeting and perhaps determine some kind of information session for the Standing Committee and all councillors could attend. Which is what we were talking about doing. I do think it's important to have that information first so we can make an informed decision.

The other thing is, some of these decisions do depend on inter provincial things which just aren't going to happen overnight. And thirdly, the new deal has kind of taken up most of the council seminar time. I certainly agree that we should have that discussion. We will have that discussion. I certainly think it's quite important. The staff is very aware that it's important too, and are working diligently to provide some numbers for us so that we can make an informed decision.

Mr. Speaker: Final supplemental.

Councillor Wyatt: At our September meeting it was indicated that we're talking October, we're now basically at the end of October. When will we have the council seminar on this? When can we expect this?

Councillor Gerbasi: I can't give you a definite answer without finding out where the Administration is at on their work. I can certainly discuss that with them and get back to you and we can certainly make those decisions at our next meeting early in November.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: Just a very quick one to the Chair. It's about the new deal. I do acknowledge in the report and in the attribution of our new potential taxation policy, some liquor tax would be attributed to the Police Services to help offset some of the liquor related costs which is responding to a variety of households and incidents, etc.

That $15.7 million will quickly probably be eaten up in about a three or four year time on renewed police services human resources contracts. There's been no discussion….

Mr. Speaker: Where are you going with that Councillor?

Councillor De Smedt: I'm getting there Mr. Speaker, I appreciate your latitude. You were out of the chamber when we discussed this before. It's a very important subject.

The question really is, can you indicate if you're going to highlight how we could reinvest in our police department to those necessary services that have been suggested to us on the emerging crime issues?

Councillor Gerbasi: I think that it's a complex issue to determine the police budget over the next number of years and we'll all be part of that process. I think the real question we're getting at right now is it an appropriate way to shift taxes to something like liquor to pay for something like police services. I think that's really the decision we're facing right now. Frankly I think it's an excellent idea because I think it's about three-quarters of the police calls or something is a rough figure, are related to liquor.

It's again giving our citizens choices, and those who choose to do things that ultimately cost the rest of taxpayers money, it sort of makes sense that they would pay a little bit more, and it goes towards something that I think unanimously around this council we all realize we need to find more funds to cover.

In terms of the basic issue of a liquor tax for police, I think it's a logical shift in this whole discussion on tax shifting. As for exactly how it would be spent, yes, we have huge wage pressures in the Police and that's one of the issues, and we also have emerging crime trends which I'm sure we'll be discussing in the next budget discussion.

Mr. Speaker: Just a quick question Councillor De Smedt, just off the top of your head, can you tell us how you solve all the problems of our police service?

Councillor De Smedt: I know we're trying to be collegial here and we are, and I would ensure my colleague to my right, this is not meant to embarrass the Chair.

The point of the question was, can we focus attention to how we have to improve the safety model in this city? I know we spent a lot of money in the Police Service last go around in our

budget, but the fact of the matter is we're still short of police department personnel to respond to some significant merging crime issues, keep the focus there. Can you assure us that you will articulate that and champion that particular issue as we go through the new deal?

Councillor Gerbasi: Frankly I think all of us, one of our concerns that maybe some of us even lie awake at night about is how we're going to fund our police service and we know the increasing demands. I can certainly assure you I will continue to champion this as I have done throughout my tenure as Chair of this committee. It's not me that's going to come forward with an entire plan about the Police Service, it's all of us, it's the Administration, it's the Police Chief and his staff as well.

I'm sure we'll all be participating in that process. I certainly do intend on championing it. I also think we need to champion initiatives in the crime prevention area and involvement in the community in capacity building as Councillor Pagtakhan who now Chairs the Committee for Safety is working on. So there's a number of ways to ensure safety in our community.

I guess I might as well point out this time that safety isn't only the number of police, although we all recognize we never have enough. But safety is also healthy communities and a healthy vibrant city. Which is also part of what this new deal is about.

I can assure you that I'm committed to the same goal of a safe city as you are Councillor De Smedt.

Mr. Speaker: Now moving onto the Standing Policy Committee on Public Works, Report of April 15, 2003, Clause 4.

**REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS
DATED APRIL 15, 2003**

Councillor Angus: Thank you Mr. Speaker. I will move Clause 4.
Mr. Speaker: All in favour? Contrary? Carried.

Report of October 7, 2003.

**REPORT OF THE STANDING POLICY COMMITTEE ON PUBLIC WORKS
DATED OCTOBER 7, 2003**

Councillor Angus: Mr. Speaker there are three clauses here. Just for expediency sake on the snow clearing we have moved certain things ahead that do not have budgetary impacts. The ones that do have budgetary impacts we have asked Executive Policy Committee has identified that they will be part of a discussion at a council seminar with councillors so we have that information.

The other two are self-explanatory. With that explanation I'll move 1 to 3 that's on the agenda here.

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

Motion by Councillor Vandal seconded by yourself. Would be automatic referral. Councillor Vandal did you wish to deal with this today?

**Motion No. 2
Moved by Councillor Vandal
Seconded by Councillor Angus**

WHEREAS a Public Contest was announced to name the pedestrian bridge being built as part of the Provencher Twin Bridges Project;

AND WHEREAS display ads in the Winnipeg Free Press, the Winnipeg Sun and La Liberté explained the contest rules, including the criteria on which submissions would be evaluated, namely, the name should reflect the bridge's role in linking communities and people; the history and culture of the areas adjacent to the bridge; and the spirit of the structure itself;

AND WHEREAS 1183 entries were received and evaluated by a jury who were unanimous in their recommendation to accept the name "ESPLANADE RIEL" submitted by Ms Judith Barr of Winnipeg;

AND WHEREAS in choosing the name the jury cited: "This entry meets the criteria admirably. Esplanade is a word that means a level open space with a vista or a walkway in both French and English. It therefore describes the bridge as a whole and the plaza in the center, which is an important feature of the bridge. Louis Riel is perhaps Manitoba's best-known historical figure, one who fought for the rights of the Métis and French communities and who worked for harmony among all communities. Naming the bridge after him evokes the historic nature of the bridge and links across the Red River";

THEREFORE BE IT RESOLVED THAT the pedestrian bridge of the Provencher Twin Bridges be named Esplanade Riel.

Councillor Angus: Mr. Speaker perhaps since this is my committee I will request that the mover that he introduce it and talk to it.

Mr. Speaker: The motion right now is to suspend the rules to deal with it which would only be allowed to be moved by Councillor Vandal.

He has moved. Do you wish to explain why you want this dealt with today?

Councillor Vandal: I will move the rules be suspended. Back in February of 2003 the City of Winnipeg embarked on a competition to name the Provencher pedestrian portion of the bridge.

(11:16)

I want to stress it's the pedestrian portion only. We assigned a three person jury to operate the competition and to short list and ultimately make a selection. That jury has done its work. My office as well as the Public Works office has received numerous calls about the status of this. Basically the jury's work is done and we're ready to move on this.

Mr. Speaker: Why would you like the rules suspended to have this dealt with today instead of four weeks from today? What is the rush to deal with it now?

Councillor Vandal: The rush is that the work has been done. There are lots of people calling City Hall wondering what the name is and I think it's part of the natural progression of opening this very unique structure in our city.

Mr. Speaker: Anybody wish to speak against it? No. All in favour of suspending the rules? Contrary? Carried.

Councillor Vandal did you wish to introduce your motion. You have up to 10 minutes.

Councillor Vandal: Thank you Mr. Speaker.

February 28 as I stated we organized a competition for naming the Provencher Pedestrian portion of the Bridge. The criteria by which the submissions would be evaluated is that it would reflect the, the name would reflect the Bridge's role in linking communities and people.

The history and culture of the area is adjacent to the Bridge, and the spirit of the structure itself, the contest closed on April 4, 2003. A total of 1,200 entries were received. These were turned over to the three person jury who were unanimous to the public.

The jury was given the suggested names and supporting explanatory text and did not know the names of the people who actually submitted the entries.

The jury was unanimous in their recommendation that the Provencher Pedestrian Bridge should be named Esplanade Riel.

This entry which was number 16 of over 1,100 entries meets the criteria admirably. Esplanade is a word that means a level open space with a vista and what a vista it is. Or a walkway in both French and English. It translates wonderfully.

It therefore describes the Bridge as a whole and the plaza in the centre which is an important feature of the Bridge.

Louis Riel of course is perhaps Manitoba's best known historical figure and one who's fought for the rights of Métis and French communities, and who has worked for harmony amongst all communities.

Naming the Bridge after him evokes the historic nature of the Bridge and the links across the Red River.

Mr. Speaker the motion is self-explanatory and I would call the question.

Mr. Speaker: Any further discussion. Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. I'll rise in support of the motion especially given the jury and as I understand it, unanimous picking of this name. I would reiterate all the comments made by Councillor Vandal.

I do know and I think it should be acknowledged that there was some motion in the community with respect to the late Senator Duhamel and perhaps how he might be remembered. Although I think this is perfectly appropriate to call this bridge Esplanade Riel. I do hope in the fullness of time that as a city and as a community we'll find an appropriate way to remember the late Senator Duhamel because I know there may be some people who might be disappointed with that aspect of things although they probably would support.

The only question I would ask, it was mentioned that number 16, this was name number 16 and I wasn't exactly sure what that meant. Maybe the Chair could clear that up.

Mr. Speaker: Seeing no other speakers perhaps you'd like to sum up Councillor Vandal and maybe read the other 1,100 names.

Councillor Vandal: Essentially what that means is that there were 2,000 submissions to the competition and the submissions as they were received were numbered by the Public Works Department. This was the 16th submission out of 2,000.

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

By-laws, second and third readings.

STANDING POLICY COMMITTEE ON PUBLIC WORKS CONSIDERATION OF BY-LAWS

Councillor Angus: I'll move that By-law No. 125/2003 be read a second time.

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

Clerk: By-law No. 125/2003.

Councillor Angus: I'll move that the rules be suspended and By-law No. 125/2003 be read a third time, and that the same be passed and ordered to be signed and sealed.

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

Councillor Angus: I'll move By-law No. 152/2003, be read a first time.

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

Clerk: By-law No. 152/2003.

Councillor Angus: I'll move that By-law No. 152/2003 be read a second time.

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

Clerk: By-law No. 152/2003.

Councillor Angus: I'll move that the rules be suspended and By-law No. 152/2003, be read a third time, and the same be passed and ordered to be signed and sealed.

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

Question Period. Councillor Wyatt followed by Councillor De Smedt.

STANDING POLICY COMMITTEE ON PUBLIC WORKS QUESTION PERIOD

Councillor Wyatt: Mr. Speaker through you the Minister of Public Works. My question is, last Thursday there was a meeting held in my constituency Mr. Chairman regarding the Winnipeg Inner Model Terminal in the CNR. At that point the Administration unveiled, informed the residents of the traffic study and some of the numbers of the traffic study that was done counting the trucks. Indeed it showed what you predicted and what the Mayor predicted that all the trucks are heading south. According to the traffic study that was done on September 4 and 5, 509 new trucks heading south only 81 heading north. Only 14% of new trucks heading north. Yet my office went to the extent of conducting a count, it's not a rocket science to do a count. You count the trucks coming in and out. According to CN there was no traffic pattern change from September 4 to now. According to CN only a few trucks came out of that site before. We did the count, and lo and behold Mr. Speaker, the count came to 354 new trucks heading north, and 168 heading south. A total of 68% of the trucks heading north.

To be doubly sure, I'm getting to my question Mr. Speaker. To be doubly sure, I conducted counts again on Monday and Tuesday, this was comparing apples to apples, semi trucks like the Administration counted, from 7 a.m. to 7 p.m., again 66% of trucks heading north, 34% heading south. Tuesday, 67% heading north, 33% heading south. A total of over 600 trucks over those two days heading north versus about 300 heading south.

Mr. Speaker, I'd like to know in light of the fact that the information that we now have before us clearly shows the majority of the trucks from the inner model terminal that was predicted would not have no impact on Transcona, are heading north into Transcona. What is the Administration and what is the Chairman of Public Works going to do to resolve this problem?

Councillor Angus: Nothing at this particular time Mr. Speaker. For the information of all of Council and particularly new and inexperienced councillors…

Mr. Speaker: Councillor Angus, that's enough.

Councillor Angus: Or new and less experienced perhaps that's a more favourable word. New and radical, new and exciting.

Part of the presentation that was made by the Director of Public Works Mr. Thompson and a number of members of staff accompanied with the railway had a process laid out. The process is, that they will do the count, the information will then be forwarded by the Department to the Committee on Public Works. I haven't seen that report Mr. Speaker. I'm sure that Councillor Wyatt will be coming to that particular meeting. Once we've got all the information I feel comfortable that Council will make a reasonable decision.

One of the questions I may ask is, how many particular trucks go down McPhillips or go down Waverley or go down Corydon or go down pick one, Watt Street so that we have a fair understanding of the number of trucks, not necessarily the percentage, and the difficulties that they may have. I'd also be interested Mr. Speaker in knowing what the sound impact may be on those residents and what options might be available for us to look at solutions. And as that report comes forward we'll certainly share it with all members of Council including the new Councillor from Transcona.

Mr. Speaker: Supplemental.

Councillor Wyatt: Very brief. The report from what I can see from the Administration is flawed. I don't know why.

(11:25)

It looks to me flawed. You're basing all of your assumptions on a report coming back, what are you going to do in light of the fact that the numbers are clearly showing, it's not rocket science, the trucks are heading north not south as was put in your report? What are you going to do now to revise or to look at the situation and to come up with solutions that will resolve the problem?

Councillor Angus: Again I'm going to wait until I get some information back from the Administration. One of the options may be to send the Administration back to do another count. I'm sure that they could do something of that nature early in the new year and we can get another report back to Committee.

Mr. Speaker: Final supplemental.

Councillor Wyatt: Mr. Speaker, we predicted in the community this was going to be a problem, it's now a problem as was predicted. To have more studies and stalling tactics would only delay the problem. One of the solutions the residents came up with solutions at that committee, can they not be considered now and be moved forward with your expediency Mr. Chairman?

Councillor Angus: I'm sure Mr. Speaker in the fullness of time this particular item will come to the Standing Policy Committee probably be referred back to the Community Committee for their input and comments back to the Committee of Public Works, then we will have some indication as to what resolves might be between the two groups.

Mr. Speaker: Councillor De Smedt.

Councillor De Smedt: Thank you. Taking the queue from the Mayor who suggested I ask Councillor Angus a question on the Clean Environment Commission report.

This is such an important document to our city, and particularly since we only really contribute about 15% or less of the problem into the Red River. I'm very intrigued why we're going to face an $830 million bill over the next five to ten years without input and financial input from one or two other levels of government. More importantly the Provincial Government.

When can we expect to have this report shared, and a discussion on the strategy of how we approach funding? It's already included in the new deal. The water and sewer rates have been proposed in a modelling of how we're going to attribute these new taxes. We could have a debate on that. I certainly would like to have the Chair of Public Works since the Mayor suggested he would comment on this, share with us all and let's debate the issue about what the significance of this Clean Environment Commission report really is.

Councillor Angus: Excellent question Mr. Speaker. If my colleague was part of a legislative government or a parliamentary government, I would say that he was set up to ask me that question.

First of all on the specific answer Mr. Speaker, as everybody knows, rate increases usually come November, December on things like transit or water so that we can get the full impact on next years budget.

I anticipate that within that timeframe there will be a water rate report. In that water rate report it will accommodate and indicate information as I understand it on what the Clean Environment Commission is requiring of us to do.

Preliminary information as was stated at a press conference was in the neighbourhood of between $500 million and $600 million to meet their speeded up program. That would mean Mr. Speaker rate increases of probably close to 54% in water just to sort of accommodate the Clean Environment provincial levy to clean up the river.

Councillor De Smedt is right, 15% of the phosphates in the river are the problem of the City of Winnipeg. We know that because we monitor the phosphates coming in, 50% of which come from down

stream including the United States of America. When they leave the City of Winnipeg there's 15 additional. We are very concerned as Manitobans and as Winnipeggers about the health of Lake Winnipeg and we want to do what we can.

We proposed to the Clean Environment Commission a longer strategy, they came back and said, we want it done in half the time. Then the Minister apparently arbitrarily suggested that they would like that done even sooner and have given us a shorter timeframe.

It's going to be heated discussions at this particular table. As the Mayor has indicated we have a choice. We can raise water rates. Those are things that are within our purview. And the Provincial Government knows that when they lay that on the table. It would mean Mr. Speaker that as well as raising water rates by 54% it would mean that we would have to borrow $220 million to accommodate the construction that is needed in the timeframe that they want for the separation of the sewers, the rebuilding of the plants at all three locations on the River.

It's a big piece of pie that we've bitten off Mr. Speaker, forced fed as a matter of fact by the Provincial Government. In fact even if they do decide to come to the table and offer us some money, we're going to be taking it away from something else. That doesn't make any sense to me, when I cannot tax for buses, the only thing I can do with buses is put the bus fare up and/or try and cut routes, neither are very palatable. The only other thing we can do is put it on roads or bridges. Terry Duguid who wrote this report tried a toll tax, that didn't work. We have a new deal on the table it says, we've got these problems, we want to be self-sufficient, we want to try and finance. Mr. Speaker, people want to know what we're doing with other levels of government. I've just briefly gone through some of the requests from this council to the other levels of government including committees that Councillor Steek sat on in his early days of EPC with my friend Councillor Clement arguing about new tap money, going to the government cap in hand, cap in hand, week after week, month after month saying, give us more money, give us authority, do something to help us out.

The answer to Councillor De Smedt's question is, we will be having that information. I would propose that it be the subject of a seminar. I'm hoping to coordinate it with the questions that were asked by Councillor Steek in relation to what pools and what sidewalks and what parks and what roads and what bridges need to be done for the $70 million we're going to be investing on an annual basis. I hope to have it done in conjunction with, is the water supply coming in from Shoal Lake more important, or less important than cleaning up the River. These are all huge decisions Mr. Speaker. This community is going to be faced with a huge increase if we don't find some better and different way of financing it.

Councillor De Smedt: What passion. When can we have a discussion from the Chair on all the proposed infrastructure programs in this 10 year plan where we're going to spend tax more to the citizens? Take $70 million out of the economy, not have the will to challenge other governments to participate, and look at not simply the Clean Environment Commission mandate which is challengeable from my perspective. Also with transit. The transit bus way system is being proposed to take out some $28 million a year, $18 million for the transit way and $10 million for new buses. That's $280 million in 10 years. There's lots of issues we need to talk about. Please roll it out. You made a fundamental assumption that we have to spend an extra $120 million.

Councillor Angus: Let me thank my colleague for this question because as some of you know I've just taken four or five days off, I came back and was actually felt a little disappointed about coming back to City Hall this morning thinking, what the hell am I doing here. Now I know why I'm here. I'm here to try and straighten guys like you out that say look, what do I have to tell you that says, we have been going for 10 years cap in hand to the Provincial Government or the Federal Government asking them to

cooperate and help us giving logical cogent arguments on bus fares going out of sight and they haven't increased their contribution since 1992. Asking for more money for a crumbling infrastructure, a better share of GST.

(11:33)

The fact that we're out doing it right now, all we get is negativism and boo hiss from our opposition. Why aren't you doing more of it. Well we are doing more of it. We're putting the new deal in front, and say this can finance the City a lot differently and a lot better.

When we talk about $70 million, well maybe the taxman coming under the property tax increase or increasing water rates by 54% Councillor De Smedt, maybe that's what you would rather do. We can go that route. That may be a good idea. That is a good idea.

As far as the streets are concerned, every year I get a list of about 300 streets from everything that we're going to do on curb repair or anything. If anyone of you says to me, what are they doing on Balmoral Street, I can look down that particular thing and say residential rehabilitation on that particular street this year. Here's the amount of money we're spending, we're contracting, we're in-house, here's the contact person. Why? Because you all ask me. You want to know. We have a list. With the $70 million that my department is going into the hole every single year Mr. Speaker, the easiest thing in my repertoire tricks is to get you a list of the work that needs to be done. I will have that for you for the seminar that Councillor Steek and our public works committee decided to have in the near future.

Councillor De Smedt: This one is very easy. Chair of Public Works, can I have a lousy $8,000 for a second recreational rink in our neighbourhood in a socio economic area? Some councillors have two and three, I have one, I need two. $8,000.

Councillor Angus: Thank you Mr. Speaker. Councillor De Smedt already knows the answer unless he has not been able to access his computer and get the answer that I gave him to this question earlier today.

The facts are, that the Administration a) sets the budget, as this council sets the budget. If Council wants to include an additional $8,000 for his ward and/or for any other ward, we will do that. Administration takes that and priorizes that Mr. Speaker. Some are based on use and have been long standing for years and years and years and years. If it was my ward Mr. Speaker, I would take $8,000 out of my community incentive grant, make a plea to help fund that particular thing if it's that big a need and see if it really worked or didn't work. It will be discussed in and dealt with at budget consideration Mr. Speaker.

Mr. Speaker: Councillor Steek there's less than a minute but it's yours. It's answered?

Fiscal Issues. Councillor Clement.

REPORT OF THE STANDING COMMITTEE ON FISCAL ISSUES DATED OCTOBER 7, 2003

Councillor Clement: I'm pleased to move the Report of October 7, 2003, and move Item No. 1 as a consent item.

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

Motions, none. By-laws.

STANDING COMMITTEE ON FISCAL ISSUES CONSIDERATION OF BY-LAWS

Councillor Clement: I'll move that By-law No. 142/2003 be read a first time.

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

Clerk: By-law No. 142/2003.

Councillor Clement: I'll move that By-law No. 142/2003, be read a second time.

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

Clerk: By-law No. 142/2003.

Councillor Clement: I'll move that the rule be suspended and that By-law No. 142/2003, be read a third time, and that the same be passed and ordered to be signed and sealed.

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

Questions? Councillor De Smedt followed by Councillors Steek and Wyatt.

STANDING COMMITTEE ON FISCAL ISSUES
QUESTION PERIOD

Councillor De Smedt: Thank you. I don't think it's any surprise that we need to ask questions about the new deal, and really I do know Councillor Clement's generized views on the economy. I'd like his view if he could share it with us as he's been part of the process of advancing this new deal in this trial balloon format of what he feels about tax shifting versus tax sharing. Tax sharing meaning we'd want to get some money from the other two levels of government to try and meet our infrastructure deficit, rather than tax shifting. Particularly as it applies to something that he's worked on in the past is trying to get this provincial government to remove the education property tax.

Councillor Clement: Thank you. The answer to the very specific question is my preference, is shifting over sharing. Pardon me the other way around. I would rather take from within the existing numbers. The trouble is that we as a council don't control that completely. You can call the new deal a trial balloon I guess of sorts, I think to some degree that it is. I think the councillors and I know that some of them have been going regularly to these meetings. I've been to two of the three. That we're hearing a lot of ideas from people. Obviously you get some rhetoric involved in that as well.

For the most part I think we're getting great participation. I think that it's a good exercise to go through. I don't know how it will all end up. I think most people that I've been hearing are telling us that they would like this deal to be dealt with within the existing revenues that are out there. What I've been finding very interesting and why my preference is sharing over shifting, is that when the Mayor has been clearly showing the pie, showing less than 7% of the total revenue that people are paying in taxes coming to the City of Winnipeg, people at these meetings are standing up and saying, well why don't you pursue that. The fact of the matter is, Executive Policy Committee has been doing that through intergovernmental affairs. The Mayor has been doing that in meetings with the Premier. Those discussions aren't dealt with on the front page of the newspapers everyday. In fact they very seldom would they ever find their way to the front page of a newspaper or into a media release of another type because people aren't at those meetings. That's not how other governments operate. When the Mayor is invited over to speak to the Premier they don't invite the media in. They don't hold it in an open session like we hold virtually every meeting.

The fact of the matter is, is that those discussions are going on virtually daily on all kinds of topics. The people that are at these meetings although they're only getting pieces of the information I guess in that fashion Mr. Speaker, are landing on that and saying, hold it a minute, 68% of Manitoba lives in Winnipeg, why is Winnipeg only getting 7% of the taxes. I've heard several people go to that topic at the two meetings I've been at.

It may be, and I recognize that we've had some visitors who are MLAs. I noticed two in the meeting the other night at Miles Mac and I noticed two at the meeting in St. James. I don't know how many were at the one at the Fort Rouge Leisure Centre. Clearly some of them are at least paying attention Mr. Speaker. I'm hoping that they recognize that the public isn't stupid. The public isn't going to stand for much longer that the revenues are going to the upper levels of government and we're being caught in a situation that's pretty untenable.

Frankly I didn't have a lobotomy when I got elected and I don't believe the other 15 people in this chamber did either. There are a lot of issues out there. People send us down here Mr. Speaker to try and deal with things as appropriately as possible, but we're not being dealt a very good set of cards right now in many of these areas. We don't have the autonomy to shuffle the deck much better.

The simple answer is, I've been there three times I guess, is that I would rather have a better sharing of the existing pie frankly, that would be my first choice. I'm also a realist and I recognize I don't have autonomy over that decision.

(11:41)

My understanding on the ESL portion of that, is that the Provincial Government has pledged to remove the ESL from residential property taxes within the next five years, I believe that that's the case. That's what I heard during the most recent election campaign. They aren't doing that for business however. There's been no talk about school taxes in general and it's my personal view that school taxes both the ESL and school taxes are a provincial jurisdiction and they shouldn't be on our property tax bill period.

Mr. Speaker: Councillor Steek.

Councillor Steek: Through you to the Chair. In yesterday's seminar clearly the new deal is the forefront issue, but for some of us the 2004 current budget merits some attention.

We've heard the Chair of Fiscal Issues talk about a $40 million deficit, it's what my learned colleague from St. Vital affectionately refers to as the eleven percent solution. I'd like to hear from the Chair of Fiscal Issues because we were told yesterday that the '04 budget is well developed, his take on the $40 million shortfall. Should there be concern for the citizens of Winnipeg that there's a potential tax increase coming down the road? Or are we going to handle it as we have in the past as the Mayor noted yesterday?

Councillor Clement: The $40 million number is first of all let me say this, the first run-up of the numbers. There have been other years where we've had large numbers and then tried to deal with them in a variety of ways.

My preference is to not increase taxes personally. It's going to be a difficult chore dealing with this upcoming budget. Just to give you one example of what we're talking about and why such a number. There's over 9,000 accounts I think but I'll just take one. It's the photo radar account. We had shared with us last year when the Police Force presented their budget, numbers from other cities where this exercise takes place. They took the averaging of those numbers and believed that they would be the same in our city because they were pretty much a wash with the other cities that have photo radar. They believe that by using that data and just extrapolating it into Winnipeg that they would have a certain amount of revenue. The cost to operate photo radar as we all know is between $7 million and $8 million and they believed that there would be a net revenue of approximately $8 million. Well everybody knows that's been reading their information from Fiscal Issues that we currently are in a shortfall position as of July 31. Out of the $7.3 million, $4.7 million is short in the photo radar account.

Next year and everybody knows that we try to run three year budgets together, the '04 budget was originally done with a revenue stream of approximately $11 million. You not only have a $4.7 million shortfall this year but you have a further $3 million that was being used in the building of the '04 budget. So there's a $7.7 million problem just in that one account as an example.

Police overtime as an example continues to be a problem and that's another $1.1 million of the $7.3 million. Of the $7.3 million shortfall that we currently have at the end of July 31, $5.8 million of it is associated with the Police Department alone.

There's tough issues. I'm not going to tell you I have all the answers, we haven't

really got into it. You start with a draft document but it's difficult when there's so many different meetings taking place, so much information coming forward. People asking good questions. You try and share as much information as you can.

If there is a $40 million issue, you do the math and divide it by $3.7 million you're going to find it's somewhere in and around 11% number. I don't think anybody here would want to pass a 11% tax increase. On the other side of the coin you can't keep having zero budgets and minus budgets and having increased costs through inflation and it's well known that just in the Police, Fire and Ambulance alone that '03 over 98 is a $51 million change type of thing. That just can't keep happening.

There has to be something changed. We either will get some sort of a new package and even that we can't deal with until '05 other than in pieces type of thing. There are issues that we could, we can deal with a hotel tax, we can deal with a liquor tax. There are some small things like that that we can in fact do. We can deal with frontage levies if we wanted to, we have the legislative right to do that. Those numbers aren't going to provide the kind of money that's missing yet and there's going to have to be some darn tough choices that we collectively are going to have to make over the next few months a very short few months.

I don't have any good answers for you other than the kind of information I'm sharing with you. Frankly we heard questions about the Clean Environment Commission. To my knowledge we haven't actually got any kind of actual document from the other level of government through intergovernmental affairs. I may be wrong, but I don't believe we have. We just know what's out there we keep hearing what's out there. If what we're hearing is true, we're going to have to relook at a whole bunch of things. Maybe as an example we can't go ahead with the water treatment plant, maybe we've got to clean up the rivers first. At least we've got that cash sitting there. There's issues like that. Those are the kind of choices we're going to have to make. They're not going to be easy ones. Those are the realities of it.

Mr. Speaker: Supplemental.

Councillor Steek: Mr. Speaker why was that question in the very direct and unambiguous answer so important? Because of the fact….

Mr. Speaker: No preamble on secondary questions. We do have another speaker trying to get in.

Councillor Steek: Fair enough. We heard that there is a revenue shortfall out of photo radar. Are you concerned when you see the package of new user fees put together around the new deal, are you concerned that there could be shortfalls in those projections in the future for '05? We've just seen what happened on one account only.

Councillor Clement: Are you speaking specifically to photo radar?

Councillor Steek: Clarification Mr. Speaker. Through you to the Chair of Fiscal Issues. The new deal brings approximately 10 new taxes forward and generates 'x' dollars. In view of what transpired with the shortfall in photo radar for the sake of argument, there's $127 million on city sales tax. Do you have concerns that those projections may not be accurate, if they're not, how do you realize the differential?

(11:50)

Councillor Clement: I don't know that anybody can really answer that in any kind of matter of fact way Mr. Speaker. Projections, new deal projections you see numbers I believe the numbers are that $50 million would come from the taxes on gasoline from the Feds. I think I saw $10 million would come from sources outside of the City. $10 million is a round number. Is that number really going to be $9.2 million, is it going to be $10.4 million? I don't know. Budgets and we have thousands of accounts Councillor Steek, budgets are best guesses based on the best information anybody's got at the moment that they make the decisions. We rely on some pretty darn good

employees in my view in the Finance Department to give us as accurate a set of data as they can. I believe that they do that in a very political way frankly. I'm comfortable that when they give us numbers that they're reasonably close. We all know that over the course of any given budget year that some numbers are going to come under, and some are going to come in over.

The hope is that when you add the two together that you're going to be within budget.

Mr. Speaker: Thank you. Time for questions has lapsed.

Move onto the Secretariat Committee, Councillor Eadie would you please give the report on my behalf.

**REPORT OF THE SECRETARIAT COMMITTEE
DATED OCTOBER 14, 2003**

Councillor Eadie: Mr. Speaker on your behalf I'll move the Report of the Secretariat Committee dated October 14, 2003, be adopted by consent.

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

Both Item Nos. 1 and 2, Councillor Steek recorded in opposition. Report is carried.

Councillor Eadie moves adjournment. Roll call.

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 11:55 A.M.

COUNCIL OF THE CITY OF WINNIPEG
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