EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

Minute No. 667

Councillor Wyatt questioned if funds from the proposed hotel room tax were going to be dedicated to the Convention Centre expansion to which His Worship Mayor Murray replied that the hotel tax as proposed would generate about $3.1 million, which was not enough to finance the required $75 to $100 million expansion of the Convention Centre. He further advised that the hotels would prefer the tax went to tourism, marketing and promotion.

Councillor Wyatt questioned if the Mayor would communicate with the Convention Centre Board as to whether or not the hotel tax should be dedicated as a source for them to expand, to which His Worship replied that the Hotel Association did not wish to see the funds generated from the hotel room tax used for the Convention Centre expansion, and further stated that the Hotel Association wanted the hotel room tax to go into value added tourism promotion as well as to reposition, rebrand and remarket the City.

Councillor Wyatt questioned what commitment the Convention Centre will get so that they would be able to plan for the future and what kind of guarantees would there be as to dedicated revenue. His Worship replied that he had respect and trust in the Convention Centre Board and that they would be delivering a business plan shortly.

Councillor Steek noted that the primary economic engine of the New Deal was a City sales tax and stated it was a legal issue as to whether or not the Province must call a referendum regarding an increase in sales tax and questioned if a written legal opinion was available relative to a sales tax increase referendum. His Worship replied in the affirmative.

Councillor Steek questioned when Council would be able to view the legal opinion. His Worship replied that it was not being released as it was an In Camera item, noting the Legal Services Division had a concern about confidentiality, as always is the case when there may be liability to the City.

Councillor Steek questioned why Council was not being told what the position of the Legal Services Division was, to which Mayor Murray responded that it was the opinion of the Legal Services Division that a referendum was not needed to increase the sales tax.

Councillor Angus questioned if there was anything to prevent the province from vacating any of the sales tax and contributing that to the City of Winnipeg. His Worship replied he was not aware of any restrictions in this regard.

Councillor Angus questioned if there was room for negotiation on the New Deal initiative and if a process could be established whereby a Councillor could identify what items they liked or disliked. His Worship replied that more Council seminars were being planned.

Councillor De Smedt requested more detail in regards to what would occur to the $120 million of new money raised and asked if the requirements Clean Environment Commission report had been factored in to any possible spending.

His Worship cited that there is a detailed five year capital budget and noted that the Clean Environmental Commission report is a public document which details projects and requirements and that an order would be forthcoming from the Province.

Councillor De Smedt cited that one of the fundamental assumptions in all the reports being relied upon for the New Deal initiative was that it was time for cities to get their act together and get taxation levels appropriate in relation with the other two levels of government; he questioned why the Mayor didn't change this fundamental assumption as more taxes simply can't be taken from the taxpayer.

His Worship stated that City Council was elected by the citizens of Winnipeg to worry about City problems and not whether the Province was occupying too much of the GDP, further indicating that in his experience with intergovernmental relations, it was not useful to tell Provincial and Federal counterparts how to run their governments.

Councillor De Smedt questioned if the Mayor could provide a plan that would improve and/or establish proper intergovernmental relations so that this issue could be discussed at the level required. His Worship replied that a civil relationship with the other levels of government does exist and has to be maintained in spite of all criticism.