CUPE LOCAL 500

PRESENTATION TO

CITY OF WINNIPEG

EXECUTIVE POLICY COMMITTEE

CUPE Local 500

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March 2005

1. Introduction

We would like to thank the Executive Policy Committee for giving CUPE Local 500 the opportunity to present our concerns on the proposed 2005 draft operating budget.

We realize that City Council is facing some difficult decisions this year. In working through these decisions, you will determine the kind of City we live in.

We believe that we live in a great City and the services that we provide determine the quality and order of life in Winnipeg. Many of us often forget that. If these very basic services are reduced or eliminated, the effects on our urban environment, our local economy and on our future as a City are bound to be damaging.

There are good reasons to protect the investment we have made in our City. We need to keep it safe, comfortable and affordable. Citizens will otherwise lose vital services they depend on. Winnipeg will become a less attractive community for new business and existing business. We will also risk losing another generation of young people who will move elsewhere to earn a decent living.

Will Winnipeg bloom or wither? That will depend, to a large extent on the decisions you will make today and in the weeks ahead.

REVENUES/FAIR TAXES

Introduction

Our brief reflects the ideas and thinking of a number of people, including some Administrators and Councillors. We believe we have looked hard at the problems and reached a set of conclusions that are constructive and reasonable.

If Council chooses to act on these conclusions, we believe that a fair and effective budget will emerge.

We believe that services can and should be maintained in this budget.

We see no reason to cut the business tax. We need to have a good business tax system in place. We propose using a graduated tax system. We believe this would be fair to all businesses in our city.

Collecting tax revenue from people who visit Winnipeg also makes sense as they use our services and should pay for their use. Hotel taxes are in place in other cities and should be accepted here in Winnipeg. In fact, there should be other taxes and fees for those who benefit from Winnipeg's economy and infrastructure but who live outside the perimeter and therefore don't pay for these benefits.

Removing any business tax is not acceptable. The business community uses municipal services and infrastructure to make a profit and should not be exempt from paying their fair share for their use. In order to provide good

infrastructure for the City you have to raise revenue in a fair and equitable manner.

We have heard from business groups such as the Chamber of Commerce and the Canadian Federation of Independent Business (CFIB), who want their share of the tax responsibility reduced even more. The CFIB is calling for massive spending cuts and the contracting out of municipal services. The Hotel Association will accept the proposed elimination of the business tax but they have in the past rejected a proposed hotel room tax which could generate about $3.2 million in new revenue.

To eliminate part of the business tax is not good for the citizens of Winnipeg. It is not fair for some of the business community to keep saying that eliminating the business tax is acceptable when revenue growth for the City is not. The business community says a $60 million tax break by means of the elimination of the business tax is fine but then rejects proposed revenue growth options. Nothing is going to improve if businesses refuse to help with the challenges we face and pay their fair share.

What kind of City tax system and community will we have if different groups continue to pick what is preferable for them alone and not consider what is best for the entire community?

PROPERTY TAXES

Local 500 respects City Council's desire to reduce the City's reliance on property taxes. We also know our infrastructure deficit is growing by millions every year. We know Level 2 civic departments cannot maintain

service levels given the budget restraints. The City's own research makes a strong case for reinvestment in our city and there is no case for further tax reductions. At the very least property taxes should be keeping pace with inflation.

> "Winnipeggers are paying the lowest percentage of their income toward property taxes in 2003 that they have in 43 years", said Casey Vander Ploeg, a Senior Policy Analyst.
>
> "It appears that taxpayers in Winnipeg might be getting a good bargain. When weighed against personal income, Winnipeggers are paying 2.8 percent of their income on property tax compared to 3.5 percent in 1960".
> Winnipeg Free Press, October 13, 2004

> ..."More importantly, Angus said he is disheartened by a lack of investment in city infrastructure such as playgrounds, roads and community centres."
> Winnipeg Free Press, March 1, 2005

> Last week, big cities across Canada tabled or passed budgets that included property tax hikes. Victoria's city council boosted taxes by about 4 percent, and Calgary is facing a 3.4 percent hike. Toronto's plan for 2005 includes a three percent hike and the city is still facing a $22 million shortfall."
> Winnipeg Free Press, February 8, 2005

We submit that if citizens have to choose between lower property taxes that would result in cuts to City services or a modest increase in property taxes in order to maintain the current levels of City services, we believe the majority would support a modest tax increase. (Note the following Viewpoints Research of last year)

Lower property taxes	Modest increase	Depends	Don't know/refused
26%	55%	10%	10%

Viewpoints Research, August 17, 2004

CITY FINANCES

CUPE Local 500 submits that a further property tax freeze will add to the accumulated deficit that is restricting the maintenance of the City's infrastructure.

We know every civic department will experience increased service costs, for example in fuel costs. There has been a steady flow of cutbacks in many civic departments. And in our opinion, we have achieved all the efficiencies that departments can find.

Local 500 also supports the idea of a "New Deal" for the City of Winnipeg. We believe that our city needs a new deal, for example share of the gas tax from the senior levels of government to help address our failing infrastructure.

The City's 2004 research outlined the requirement (over a 10 year period) for $78 million just to maintain basic infrastructure (i.e., roads, parks and facility maintenance).

The City's research makes a strong case for reinvestment in our city and there is no case for further property tax freezes or business tax reductions.

FORESTRY BRANCH

Currently Level 3 complaints are not responded to. These service requests are on a long waiting list and citizens are advised that waits could be up to a couple of years for general tree pruning.

The City-wide tree pruning program has moved from an 8 to 9 year cycle to a 13 to 15 year cycle, to a 19 to 20 year cycle. The City is 27 years behind schedule in pruning trees on public boulevards, creating a potential public hazard and contributing to the spread of tree diseases officials admit.

City Forester, David Domke confirmed that the City is so far behind in its tree pruning schedule that City personnel can only respond to complaints and emergencies.

> "The pruning schedule, averaged out should be once every eight years", Domke said. "In 2003 it was about once in 35 years, which was actually an improvement because of some capital budget increases."
>
> "The main concern is safety", Domke said. "If a person walking down the street has an eye pocker - a branch in the eye - it could lead to something serious."
> Winnipeg Free Press, April 27, 2004

Of the 161,000 trees on City boulevards and parks only about 6,000 were pruned.

> "Pruning is essential, but the City's hack and slash policy endangers the life of mature trees."
> Winnipeg Free Press, October 19, 2004

The Public Works Department receives numerous tree related complaints from the public.

CITY PLAYGROUND MAINTENANCE

In recent years, many of our City parks do not get regular maintenance on a daily basis. The City has had numerous complaints regarding litter, vandalism, grass not being cut and trimmed, overflowing receptacles and sand boxes not being raked on a regular basis.

> "A Point Douglas mom wants the local playground cleaned up after her daughter accidentally pricked herself with a hypodermic needle while playing there."
> Winnipeg Free Press, May 5, 2004

The basic reason for the delays in dealing with these conditions is budget restraints.

GRAFFITI

The City's task force has been under pressure to fund the program to remove as many "tags" as possible. In our opinion this program is underfunded and ought to be increased.

> Tom Ethams, Executive Director, Take Pride - "I'm just trying to think of ways we can increase the funding needed to eradicate graffiti", he added, noting the City's budget for the work has dropped to less than half the $920,000 spent in 1998."
> Winnipeg Free Press, May 5, 2004

The City should consider the impact graffiti has on the City's image and tourism.

PUBLIC WORKS - PLEASURE RINK REDUCTIONS - 1997/1998 to 2002/2003

The number of rinks available for young and old has been reduced significantly over the years. We all know how important winter sports are for our youth and our community. These statistics tell the story.

- 1997/1998 135 rinks
- 1998/1999 112 rinks
- 1999/2000 30 rinks
- 2000/2001 42 rinks
- 2001/2002 21 rinks
- 2002/2003 21 rinks
- 2003/2004 21 rinks

PUBLIC WORKS - STREET SWEEPING SERVICES

Over the past decade the street sweeping program has been steadily reduced. Street sweeping after spring cleanup is only carried out as budget permits. City crews discovered that the Culex Mosquito was breeding in areas where it had not in the past and that was tied to a cutback in street cleaning services. (Winnipeg Free Press, October 26, 2003)

TRAFFIC SERVICES

Two way diversions are not consistently set up by city crews on weekends in the summer and fall seasons. On occasion we cannot do this work and it is being contracted out.

The "system check" program regarding signs is not applied and signs are only replaced when they fall down or the general public calls to complain. These reductions in services are the result of budget shortfalls.

OTHER SERVICE REDUCTIONS

- Public Works formerly mowed ditches in both the spring and fall. This has been reduced to once per year.

- Cuts in library hours of operation over the last ten years.

- Reduced line painting cycle for traffic lane program.

- Reduction to the number of City Assessors. Some of this work gets contracted out by the department.

- Reduced number of Animal Control Officers (they can no longer patrol areas for loose or stray dogs and this can be a problem in some areas).

- Reduced hours of indoor arena operations moving from a 10 hr. shift to 8 hrs. Some late night users will have to book ice elsewhere. This is a further reduction in service to the general public.

- District zoning Field Officers try to maintain a presence on the street but have to reduce this presence due to office workload. This has resulted in reduced zoning enforcements and violations going uncorrected.

We have witnessed the City rehiring civic staff who have retired. Departments at times are forced into this situation by business plan targets which prevent hiring new staff, thus leaving departments with service delivery responsibilities.

Local 500 also sees no hard evidence of succession planning within the civic service. Many civic workers are eligible to retire in the next five to eight years.

We strongly submit the city must plan now to deal with this level of "experience" leaving the civic service.

CONCLUSION

We feel it is important to state the many positive initiatives where Local 500 and the City are working together:

- Joint Education, Training and Staff Development Fund

- Our jointly trusteed pension plan

- Greater attention to workplace safety, health and wellness.

We appreciate the City's willingness to work with us on important initiatives such as these. However, in many Level 2 departments where the majority of CUPE members work, our members, your employees are suffering from the restraints imposed over the past decade. The effects of these restraints include:

- Poor morale within the civic workforce

- The elimination of promotions for many civic staff

- A decreased capacity to deliver services to the public.

These are real issues which concern us greatly. And as one of the largest employers in the province, these conditions should be of great concern to the City as well.

Every civic department needs a budget that grows at an inflation level adjustment for 2005, at the very minimum.

We want to work with the City whenever possible and maintain a good track record in working with the City over the years to come. However, we feel that the City cannot keep imposing restraints on the civic service while reducing the downtown business tax by 2% and at the same time taking on new service delivery responsibilities such as skateboard parks.

If Winnipeg is going to be a place that attracts people and makes us all proud, we have to reinvest in our infrastructure now. Quality public services delivered by committed city employees can continue to make Winnipeg a place we all want to live in. Setting City budgets is therefore not just an administrative exercise but an opportunity to invest in our quality of life and in our future.

The members of CUPE Local 500 are eager to continue to play our part in maintaining the Winnipeg we are proud of.

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